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European Commission

# Annual Activity Report 2024

# annexes

## DIRECTORATE-GENERAL FOR REGIONAL AND URBAN POLICY

# Contents

# ANNEX 1: Statement of the Director in charge of Risk Management and Internal Control

*I declare that in accordance with the Commission's communication on the internal control framework ([1]), I have reported my advice and recommendations on the overall state of internal control in the DG to the Director-General.*

*I hereby certify that the information provided in the present annual activity report and in its annexes is, to the best of my knowledge, accurate and complete ([2]).*

*Brussels, 25 April 2025*

*Mónika Hencsey*

([1]) C(2017)2373 of 19.04.2017

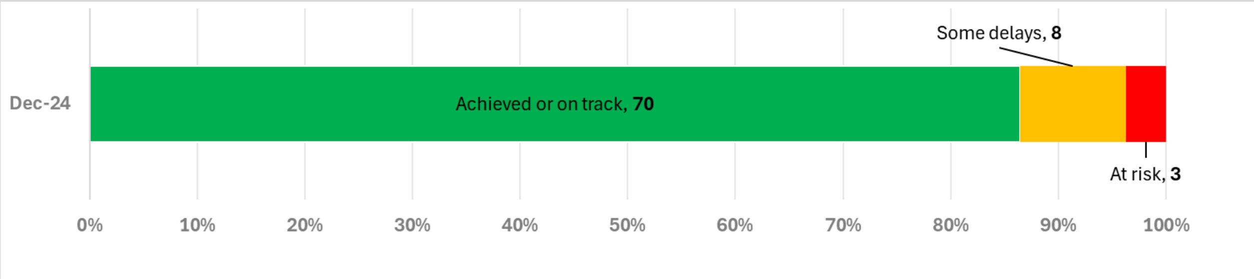
([2]) For an assessment of the reliability of performance data, see main AAR section 1.1, chapter 'Achieving the priorities - delivering cohesion'

# ANNEX 2: Performance tables

## Alignment between REGIO’s multiannual and operational priorities (2024 Management Plan) and the Commission’s general objectives

REGIO identified 12 specific objectives. These are structured around four of the six main 2020-2024 Commission multiannual priorities (general objectives) to which REGIO contributes.

The outcomes of the final monitoring exercise of REGIO’s performance against the priorities of the Management Plan (MP) 2024 are the following:




## Methodology – measuring performance in REGIO

Performance information mainly comes from Member States reporting on common indicators on the implementation of programmes, in line with the performance framework embedded in REGIO's Strategic Plan for 2020-2024. This information is important for assessing the achievement of objectives associated with ERDF/CF programmes. For the 2014-2020 common indicators reported in this annex the last reported values were for end 2022. The final values from end 2023 will be available in early 2026 once the final reports for individual programmes are received.

Indicator values from Member States are also supplemented by the assessment of policy achievements in the management declarations provided by the Authorising Officers by Sub-Delegation (AOSDs). This assessment takes into account all the available evidence regarding programme performance.

All reported data (achievements and targets) are available on-line through the **Cohesion Open Data Platform** based on indicators reported by the Member States. It is regularly updated.

→ Performance data can also be found in the **Programme Performance Statements** for ERDF/CF, JTF, BAR and EUSF.

| **General objective 1: A European Green Deal** | | | |
|---|---|---|---|
| **Impact indicator 1:** Greenhouse gas emissions<br>**Explanation:** This indicator measures man-made emissions of the so-called 'Kyoto basket' of greenhouse gases, which are integrated into a single indicator expressed in units of CO2 equivalents using each gas' global warming potential. It shows changes in percent of the emissions compared to 1990 levels. It includes LULUCF and excludes international aviation.[3]<br>**Source of the data:** European Environmental Agency: **Approximated GHG inventory** (provisional estimates) and **Climate Action Progress report**. | | | |
| **Baseline**<br>(2018) | **Interim Milestone**<br>(2020) | **Target**<br>(2030) | **Latest known results**<br>(2023) |
| - 25% of net GHG emissions | - 20% of net GHG emissions | -55% of net GHG emission | -37% (provisional estimate)[4] |
| **Impact indicator 2:** Share of renewable energy in gross final energy consumption<br>**Explanation:** Renewable energy generation is given as the share of renewable energy consumption in gross final energy consumption. The gross final energy consumption is the energy used by end consumers (final energy consumption) plus grid losses and self-consumption of power plants<br>**Source of the data:** Eurostat (Eurostat online data code: sdg_07_40) | | | |
| **Baseline**<br>(2018) | **Interim Milestone**<br>(2020) | **Target**<br>(2030) | **Latest known results**<br>(2023) |
| 19.1% | 20% | 32% | 24.5% |

(3) In order to integrate current work on alignment with the scope of the climate targets as set out in the European Climate Law (Regulation (EU) 2021/1119), which covers emissions and removals of greenhouse gases regulated in Union law.

(4) The Governance Regulation ((EU) 2018/1999) requires Member States to annually report approximated greenhouse gas inventories by 31 July. A Union approximated greenhouse gas inventory is annually compiled on the basis of the Member States' approximated greenhouse gas inventories or, if a Member State has not communicated its approximated inventories by that date, on the basis of own estimates. In 2022, the final estimate of net GHG emissions was -31%, including LULUCF and international aviation (Eurostat online data code sdg_13_10).

| **Impact indicator 3:** Size of the green economy<br>**Explanation:** The environmental goods and services sector comprises parts of the economy that generate environmental products, i.e. those produced for environmental protection or resource management. Gross value-added represents the contribution made by the production of environmental goods and services to the gross domestic product in million euros. Employment is measured by the full-time equivalent employment engaged in the production of output of environmental goods and services as defined above<br>**Source of the data:** Eurostat online dataset: **env_ac_egss3** | | | |
|---|---|---|---|
| **Baseline**<br>(2017) | **Interim Milestone**<br>(2022) | **Target**<br>(2024) | **Latest known results**<br>(2021) |
| Gross value-added:<br>EUR 291 864 million | Increase | Increase | EUR 368 502 million |
| Full-time equivalent employment:<br>4 593 000 | Increase | Increase | 5,065,000 |

| **Impact indicator 4:** Recycling rate of plastic packaging waste<br>**Explanation:** The indicator is defined as the share of plastic packaging waste recycled into plastic material, in all generated plastic packaging waste. Plastic packaging waste covers wasted material that was used for the containment, protection, handling, delivery and presentation of goods, from raw materials to processed goods, from the producer to the user or the consumer, excluding production residues.<br>**Source of the data:** Eurostat online dataset: **CEI_WM020** | | | |
|---|---|---|---|
| **Baseline**<br>(2017) | **Interim Milestone**<br>(2022) | **Target**<br>(2025) | **Latest known results**<br>(2022) |
| 41.7% | Increase | 50% | 40.7% |

| **Impact indicator 5: Climate mainstreaming in the EU budget**<br>**Explanation:** Proportion of climate related spending (mainstreaming) in the EU budget<br>**Source of the data:** European Commission Draft Budgetary Plan 2024 | | | |
|---|---|---|---|
| **Baseline**<br>(2014-2020, previous MFF) | **Interim milestone** | **Target**<br>(2021-2027, current MFF) | **Latest known results**<br>(2024)[5] |
| 21% | n/a[6] | 30% | 34.32% |

(5) Estimate based on commitment appropriations
(6) There are no annual targets but instead a target of 30% for the whole period (2021-2027) and expenditure is expected to fluctuate over the years. Therefore, the interim milestone was erased.

| ***Specific objective 1.1: Investments in climate*** <br> *Related to spending programme(s): ERDF/CF* | | | |
|---|---|---|---|
| **Result indicator 1.1.1:** Additional waste recycling capacity <br> **Explanation:** REGIO Common indicator CO17 – Additional solid waste recycling capacity (tonnes/yr.) <br> **Source of the data:** Cohesion Data Platform | | | |
| **Baseline (2018)** | **Interim Milestone (2022)** | **Target (2023)** | **Latest known results (2022)** |
| 755,405 | Increase | 4,891,639 | 3,383,434 |
| **Result indicator 1.1.2:** Proportion of climate related spending over total ERDF/CF budget <br> **Explanation:** Proportion of cohesion policy dedicated to climate change (in %). Climate change related expenditure on the basis of current regulation <br> **Source of the data:** REGIO Climate tracking (Strategic report, Annex 3) and Cohesion Data Platform | | | |
| **Baseline (2019)** | **Interim Milestone (2022)** | **Target (2023)** | **Latest known results (2022)** |
| 19.2% | Increase | 20% | 19.6% |
| **Result indicator 1.1.3:** Total length of reconstructed or upgraded railway lines <br> **Explanation:** REGIO Common indicator CO12 - Total length of reconstructed or upgraded railway line (in km) <br> **Source of the data:** Cohesion Data Platform | | | |
| **Baseline (2018)** | **Interim Milestone (2022)** | **Target (2023)** | **Latest known results (2022)** |
| 938 | Increase | 4,274 | 2,164 |
| **Result indicator 1.1.4:** Additional capacity of renewable energy production <br> **Explanation:** REGIO Common indicator CO30 - Additional capacity of renewable energy production (MW) <br> **Source of the data:** Cohesion Data Platform | | | |
| **Baseline (2018)** | **Interim Milestone (2022)** | **Target (2023)** | **Latest known results (2022)** |
| 1,016 | Increase | 8,970 | 6,012 |
| **Result indicator 1.1.5:** Number of households with improved energy consumption classification <br> **Explanation:** REGIO Common indicator CO31 - Number of households with improved energy consumption classification (households) <br> **Source of the data:** Cohesion Data Platform | | | |
| **Baseline (2018)** | **Interim Milestone (2022)** | **Target (2023)** | **Latest known results (2022)** |
| 173,688 | Increase | 602,628 | 562,306 |

| ***Specific objective 1.2: Mobilising research and innovation*** *Related to spending programmes(s): ERDF/CF* | | | |
|---|---|---|---|
| **Result indicator 1.2.1:** Amount dedicated to green innovation in 2021-2027 programmes [7]<br>**Explanation:** Programmed support for green innovation in 2021-2027 programmes<br>**Source of the data:** Intervention field 029. Annex I (Dimensions and codes for the types of intervention for the ERDF, the ESF+, the Cohesion Fund and the JTF) of the Regulation (EU) 2021/1060 (CPR Regulation). | | | |
| **Baseline (2020)** | **Interim Milestone (2022)** | **Target (2023)** | **Latest known results (01/2025)** |
| 0 | EUR 1 billion programmed | Achieved<br>EUR 2 billion programmed | 3.6 billion programmed |

| ***Specific objective 1.3: Just transition*** *Related to spending programme (s): JTF* | | | |
|---|---|---|---|
| **Result indicator 1.3.1:** Implementation of Just Transition Plans<br>**Explanation:** Implementation of the JTF will be measured through commitments made by affected regions and Member States as of 2021<br>**Source of the data**: SFC | | | |
| **Baseline (2020)** | **Interim Milestone (2022)** | **Target (2024)** | **Latest known results (2024)** |
| 0 | Increase | EUR 19.7 billion | EUR 19.6 billion has been legally committed |
| **Result indicator 1.3.2:** Estimated GHG emissions from activities listed in Annex I to the Directive 2003/87/EC in supported enterprises<br>**Explanation:** REGIO (JTF) Common indicator RCR 29a. The GHG emissions.<br>**Source of the data**: Cohesion Data Platform | | | |
| **Baseline** (2020) | **Interim Milestone** (2022) | **Target** (2023) | **Latest known results** (2022) |
| 16.4 million tons $CO_2$ equivalent per year | Decrease | 9.7 million tons | Will only become available once the programmes report implemented values. |
| **Result indicator 1.3.3:** Just Transition Fund project selection<br>**Explanation:** % financial resources allocated to selected projects (project pipeline)<br>**Source of the data**: SFC (financial data transmitted by Member states to the Commission) and Cohesion Data Platform | | | |
| **Baseline** (2020) | **Interim Milestone** (2022) | **Target** (2024) | **Latest known results** (2024) |
| 0 | Increase | 30% | Around 38% |

(7) This indicator changed from the 2021 MP onwards (originally: Amount of research and innovation investments in low carbon economy and climate change).

| **General objective 2: A Europe fit for the Digital Age** | | | |
|---|---|---|---|
| **Impact indicator 1:** Enterprises with a broadband access of at least 100 Mbps<br>**Explanation:** The indicator measures the percentage of enterprises (with 10 or more persons employed) with a maximum contracted download speed of the fastest internet connection of at least 100 Mbps<br>**Source of the data:** Eurostat online data set: isoc_ci_it_en2 | | | |
| **Baseline** (2020) | **Interim Milestone** (2022) | **Target** (2024) | **Latest known results** (2024) |
| 46% | Increase | Increase | 65% |
| **Impact indicator 2:** Aggregate score in the Digital Economy and Society Index (DESI)<br>**Explanation:** DESI is a composite index that summarises relevant indicators on Europe's digital performance and tracks the evolution of EU Member States in digital competitiveness. Higher values indicate a better performance.<br>**Source of the data:** DESI<br>**Methodology for calculating the indicator:** The DESI index is calculated as the weighted average of the five main DESI dimensions: 1 Connectivity (25%), 2 Human Capital (25%), 3 Use of Internet (15%), 4 Integration of Digital Technology (20%) and 5 Digital Public Services (15%) | | | |
| **Baseline** (2019) | **Interim Milestone** (2022) | **Target** (2024) | **Latest known results** (2023) |
| 43.1 | Increase | Increase | N/A[8] |
| **Impact indicator 3:** Enterprises selling online<br>**Explanation:** The indicator measures the percentage of enterprises (with 10 or more persons employed) with at least 1% of their turnover generated through e-sales<br>**Source of the data:** Eurostat online data set: isoc_ec_eseln2 | | | |
| **Baseline** (2019) | **Interim Milestone** (2022) | **Target** (2024) | **Latest known results** (2024) |
| 17% | Increase | Increase | 21% |

(8) As of 2023, with the publication of the first State of the Digital Decade Report, DESI as composite index no longer exists. It is replaced by a dashboard of digital indicators including most of the key performance indicators of the 2030 Digital Decade Policy Programme plus some other relevant indicators. No update is available for this part of the table. Additional information in the DESI 2023 methodological note: https://digital-strategy.ec.europa.eu/en/library/desi-methodological-note-digital-decade-report-2023.

| **Impact indicator 4:** Gross domestic expenditure on research and development<br>**Explanation:** This indicator measures gross domestic expenditure on research and development (R&D) as a percentage of GDP - the R&D intensity. The Frascati Manual defines R&D as creative and systematic work undertaken in order to increase the stock of knowledge - including knowledge of humankind, culture and society - and to devise new applications of available knowledge.<br>**Source of the data:** Eurostat online dataset: sdg_09_10 | | | |
|---|---|---|---|
| **Baseline**<br>(2018) | **Interim Milestone**<br>(2020) | **Target**<br>(2024) | **Latest known results**<br>(2023) |
| 2.17% | 3.00% | Increase | 2.22% |

| **Impact indicator 5:** Innovative enterprises<br>**Explanation:** Enterprises with more than 10 persons employed introducing product and/or business process innovations, including enterprises with ongoing or abandoned innovation activities<br>**Source of the data:** Eurostat online dataset: INN_CIS11_BAS (for the baseline) and INN_CIS12_BAS) | | | |
|---|---|---|---|
| **Baseline**<br>(2018) | **Interim Milestone**<br>(2022) | **Target**<br>(2024) | **Latest known results**<br>(2022) |
| 50.3% | Increase | Increase | 51.4% |

| ***Specific objective 2.1: Digital transformation***<br>*Related to spending programmes (s): ERDF/CF* | | | |
|---|---|---|---|
| **Result indicator 2.1.1:** Business digitalisation<br>**Explanation:** % of enterprises using electronic information sharing, social media, big data, cloud<br>**Source of the data**: Eurostat | | | |
| **Baseline**<br>(2017) | **Interim Milestone**<br>(2022) | **Target**<br>(2023) | **Latest known results**<br>(2022) |
| 21% | Increase | The data source of this (aggregated) indicator is no longer accessible. | The data (9) source of this (aggregated) indicator is no longer accessible. |

(9) For the “Result Indicator 2.1.1 Business digitalisation” there is a continuation issue as the 2017 baseline indicator is no longer tracked in its old form. Instead, the indicator is broken down into a more granular subset of what is being tracked by DESI (digital economy and society index). The change is only recorded in the last column, but it has no direct relation to the baseline figure.

| **Result indicator 2.1.2:** Broadband access<br>**Explanation:** REGIO Common indicator CO10 - Additional households with broadband access of at least 30Mbps (households)<br>**Source of the data**: Cohesion Data Platform | | | |
|---|---|---|---|
| **Baseline**<br>(2018) | **Interim Milestone**<br>(2022) | **Target**<br>(2023) | **Latest known results**<br>(2022) |
| 2,989,418 | Increase | 11,311,160 | 7,883,327 |

**Result indicator 2.1.3:** Expenditure on digitalisation
**Explanation:** Dedicated funds to Thematic Objective 2 (TO2) under the 2014-2020 (Baseline) plus 2021-2027 MFF (Target) budget Specific objectives 1.2 (reaping the benefits of digitalisation), 1.5 (digital connectivity).
**Source of the data:** Cohesion Data Platform

| **Baseline** (2019) | **Interim Milestone** (2022) | **Target** (2024) | **Latest known results** (2022) |
|---|---|---|---|
| EUR 2.936 billion | Increase | EUR 15.3 billion for the 2014-2020 period (+20 billion planned for 2021-2027) | EUR 13.9 billion spent for 2014-2020 period. For the current 2021- 2027 period, the value spent will only be known at a later implementation stage |

***Specific objective 2.2: Innovative and smart transformation***

*Related to spending programme (s): ERDF/CF*

**Result indicator 2.2.1:** Number of enterprises receiving support
**Explanation:** Common indicator CO01 - Number of enterprises receiving support (enterprises)
**Source of the data:** Cohesion Data Platform

| **Baseline** (2018) | **Interim Milestone** (2022) | **Target** (2023) | **Latest known results** (2022) |
|---|---|---|---|
| 414,302 | Increase | 2,424,743 | 2,490,551 |

**Result indicator 2.2.2:** Number of enterprises supported to introduce new to the market products
**Explanation:** REGIO Common indicator CO28 - Number of enterprises supported to introduce new to the market product (enterprises)
**Source of the data:** Cohesion Data Platform

| **Baseline** (2018) | **Interim Milestone** (2022) | **Target** (2023) | **Latest known results** (2022) |
|---|---|---|---|
| 11,827 | Increase | 34,486 | 37,261 |

**Result indicator 2.2.3:** Number of new researchers in supported enterprises
**Explanation:** REGIO Common indicator CO24 - Number of new researchers in supported enterprises (researchers)
**Source of the data:** Cohesion Data Platform

| **Baseline** (2018) | **Interim Milestone** (2022) | **Target** (2023) | **Latest known results** (2022) |
|---|---|---|---|
| 5,342 | Increase | 29,668 | 21,066 |

**Result indicator 2.2.4:** Employment increase in supported enterprises
**Explanation:** REGIO Common indicator CO08 - New direct jobs (direct employment increase in supported enterprises)
**Source of the data:** Cohesion Data Platform

| Baseline (2020) | Interim Milestone (2022) | Target (2023) | Latest known results (2022) |
|---|---|---|---|
| 108,654 [10] | Increase | 381,793 | 370,674 |

| General objective 3: An economy that works for people | | | |
|---|---|---|---|
| **Impact indicator 1:** GDP per capita growth<br>**Explanation:** Gross domestic product (GDP) is a measure of the economic activity, defined as the value of all goods and services produced less the value of any goods or services used in their creation. Computed volume changes are estimated using the so-called chain-linked series where GDP at current prices is valued in the prices of the previous year. Accordingly, price movements will not inflate the growth rate.<br>**Source of the data:** Eurostat online dataset: TEC00115 | | | |
| **Baseline** (2019) | **Interim Milestone** (2022) | **Target** (2024) | **Latest known results** (2023) |
| 1.9% | Increase | Increase | 0.4% |
| **Impact indicator 2:** Human resources in science and technology<br>**Explanation:** This indicator shows human resources in science and technology as a share of the active population aged 25 to 64 in percent. Human resources in science and technology are people with a tertiary education in and/or employed in science and technology.<br>**Source of the data:** Eurostat online data set: tsc00025, based on the EU Labour Force Survey | | | |
| **Baseline** (2019) | **Interim Milestone** (2022) | **Target** (2024) | **Latest known results** (2023) |
| 47.0% | Increase | Increase | 50.1% |

| ***Specific objective 3.1: Full, effective and compliant use of funds***<br>*Related to spending programme (s): ERDF/CF* | | | |
|---|---|---|---|
| **Result indicator 3.1.1:** 2021-2027 project selection rate<br>**Explanation:** 2021-2027 project selection rate (in %), calculated based on the total eligible cost of selected projects as share of the total planned amount (public cost is used where relevant) – reported by Member States for ERDF, CF and IPAE priorities, with a cut-off date for the data submitted: end of the year<br>**Source of the data:** The financial data transmitted by MS to the Commission via SFC | | | |
| **Baseline** (2020) | **Interim Milestone** (2022) | **Target** (2024) | **Latest known results** (2024) |
| 0% | At least 10% | 45% | 37.1% |

(10) 211,792 – 117,494 (Spanish value) = 94,298 is the disaggregated value for “Enhancing the competitiveness of small and medium-sized enterprises

| **Result indicator 3.1.2:** Amount invested into financial instruments, including InvestEU[11]<br>**Explanation:** Amount invested in EUR into final recipients and spent for management costs and fees as well as the amounts contributed to InvestEU Member States compartment<br>**Source of the data:** SFC and Annual implementation report | | | |
|---|---|---|---|
| **Baseline**<br>(1/1/2020) | **Interim Milestone**<br>(2022) | **Target**<br>(2024) | **Latest known results**<br>(2024) |
| EUR 5.3 billion | EUR 12 billion | EUR 18 billion | 24.9 billion[12] |

| **Result indicator 3.1.3:** Uptake of roadmaps for administrative capacity building in Member States<br>**Explanation:** Number of Member States where roadmaps for administrative capacity have been developed<br>**Source of the data:** Partnership Agreements, Programmes | | | |
|---|---|---|---|
| **Baseline**<br>(2020) | **Interim Milestone**<br>(2022) | **Target**<br>(2024) | **Latest known results**<br>(2022) |
| 5 Member States | 12 Member States | 15 Member States | 15 Member States |

| **Result indicator 3.1.4:** Number of simplified cost option methodologies in place in the Member States<br>**Explanation:** Mapping of SCOs in place in the EU done in 2019<br>**Source of the data:** Programmes and information from Member States | | | |
|---|---|---|---|
| **Baseline**<br>(2019) | **Interim Milestone**<br>(2022) | **Target**<br>(2024) | **Latest known results**<br>(2024) |
| 388 | 600 | 800 | 898 [13] |

| ***Specific objective 3.2: Complementarity with structural reforms***<br>*Related to spending programmes(s): ERDF/CF* |
|---|
| **Result indicator 3.2.1:** Achieve complementarity between cohesion policy investments through technical assistance for furthering structural reforms**.**<br>**Explanation:** Review of 100% of all Member State requests under the Technical Support Instrument that are relevant for implementation of cohesion policy by the set deadline<br>**Source of the data:** JIRA database |

(11) Contribution of ERDF and CF to the MS compartment of InvestEU in 2021-2027: EUR 232.2 million. This amount is not included in the amount of EUR 24.9 billion of ERDF, CF and JTF invested in final recipients and management costs and fees (see table and footnote 14) because it constitutes input to the budgetary guarantee of InvestEU which does not reflect the amounts invested in final recipients.

(12) Out of which: amounts invested in final recipients and management costs and fees in 2014-2020: EUR 23.3 billion; amounts invested in final recipients and management costs and fees in 2021-2027: EUR 1.68 billion

(13) The mapping of SCOs practices in the EU Member States has been recently considered in the framework of a study launched by the Commission in 2024. According to the results of the study, an estimated amount of EUR 40 billion will eventually be reimbursed in 2021-2027 through SCOs and FNLC at the end of the programming period for ERDF, Cohesion Fund and JTF. For the ERDF and Cohesion Fund, the figures would double compared to the results achieved under the 2014-2020 period. The results of the study are available here: Inforegio - Study on the uptake of SCO and FNLC for the CPR Funds in the 2014-2020 and 2021-2027 programming periods

| Baseline (2019) | Interim Milestone (2022) | Target (2024) | Latest known results (2022) |
|---|---|---|---|
| 100% of relevant requests reviewed for the 2020 budget | 100% of relevant requests reviewed for the 2021 and 2022 budgets | 100% of relevant requests reviewed for the 2021-2024 budgets | Achieved |

***Specific objective 3.3: European Semester***

*Related to spending programme(s): ERDF/CF*

**Result indicator 3.3.1:** Uptake of REGIO contributions to country reports

**Explanation:** Country Reports addressing regional disparities and including analysis of investments at regional level: number of Country Reports

**Source of the data: Country reports**

| Baseline (2019) | Interim Milestone (2022) | Target (2024) | Latest known results (2024) |
|---|---|---|---|
| 26/28 | 24/27 | 24/27 | 24/27 |

***Specific objective 3.4: Demographic and social challenges***

*Related to spending programme(s): ERDF*

**Result indicator 3.4.1:** Capacity of supported childcare or education infrastructure

**Explanation:** REGIO Common indicator CO35 - Capacity of supported childcare or education infrastructure

**Source of the data:** Cohesion Data Platform

| Baseline (2019) | Interim Milestone (2022) | Target (2023) | Latest known results (2022) |
|---|---|---|---|
| 6,799,156 | Increase | 18,607,700 | 24,576,309 |

**Result indicator 3.4.2:** Population covered by improved health services

**Explanation:** REGIO Common indicator CO36 - Population covered by improved health services

**Source of the data:** Cohesion Data Platform

| Baseline (2020) | Interim Milestone (2022) | Target (2023) | Latest known results (2022) |
|---|---|---|---|
| 27,458,607 | Increase | 102,231,873 | 68,525,492 |

***Specific objective 3.5: Urban and territorial development***

*Related to spending programme(s): ERDF/CF*

**Result indicator 3.5.1:** Population living in areas with integrated urban development strategies

**Explanation:** REGIO Common indicator CO37 - Population living in areas with integrated urban development strategies

**Source of the data:** Cohesion Data Platform

| Baseline (2020) | Interim Milestone (2022) | Target (2023) | Latest known results (2022) |
|---|---|---|---|
| 16,017,698 | Increase | 45,794,899 | 31,771,644 |

**Result indicator 3.5.2:** Participants in cross-border labour mobility

| Explanation: REGIO Common indicator CO43 - Number of participants in cross-border mobility initiatives<br>**Source of the data:** Cohesion Data Platform | | | |
|---|---|---|---|
| **Baseline** (2018) | **Interim Milestone** (2022) | **Target** (2023) | **Latest known results** (2022) |
| 55,960 | Increase | 197,290 | 178,652 |

| **General objective 4: A stronger Europe in the world** | | | |
|---|---|---|---|
| **Impact indicator 1:** Readiness of enlargement countries on economic criteria<br>**Explanation:** This indicator aims at showing where the enlargement countries stand in terms of their preparations for meeting key areas of the two economic accession criteria, namely the existence of a functioning market economy and the capacity to cope with competitive pressures and market forces within the EU. It is given as an overall sum of enlargement countries. It is measured on a scale from 1 to 5<br>**Source of the data:** European Commission<br>**Methodology for calculating the indicator:** In each of the areas, the state of play (i.e. the readiness) is assessed according to the following five-tier standard assessment scale:<br>1. Early stage<br>2. Some level of preparation<br>3. Moderately prepared<br>4. Good level of preparation<br>5. Well advanced | | | |
| **Baseline** ([14]) (2019) | **Interim Milestone** (2022) | **Target** (2024) | **Latest known results** (2024) |
| 2.64 | Increase | Increase | 2.96 |
| **Impact indicator 2:** Readiness of enlargement countries on political criteria<br>**Explanation:** This indicator shows where the enlargement countries stand in terms of their preparations for meeting key areas of the political accession criteria, namely the functioning of the judiciary, fight against corruption, fight against organised crime, freedom of expression and public administration reform. It is given as an overall sum of enlargement countries. It is measured on a scale from 1 to 5<br>**Source of the data:** European Commission<br>**Methodology for calculating the indicator:** In each of the areas, the state of play (i.e. the readiness) is assessed according to the following five-tier standard assessment scale:<br>1. Early stage<br>2. Some level of preparation<br>3. Moderately prepared<br>4. Good level of preparation | | | |

([14]) The baseline includes Western Balkans and Türkiye, but not Ukraine, Republic of Moldova or Georgia, which became enlargement countries in 2022. For the Western Balkans only the baseline would be 2.33 and the 2024 value 2.7. The value for this indicator increased slightly thanks to improvement in the functioning market economy criteria of Albania and Kosovo. All other indicators remained the same.

| 5. Well advanced | | | |
|---|---|---|---|
| **Baseline** (2019) | **Interim Milestone** (2022) | **Target** (2024) | **Latest known results** (2024) |
| 1.99([15]) | Increase | Increase | 2.17 |

([15]) This includes the Western Balkans and Turkey. For the Western Balkans only the baseline would be 2.05 and the 2024 value 2.285. The value for this indicator remained essentially the same as in the previous year. This indicator does not include Ukraine, the Republic of Moldova and Georgia, which became enlargement countries in 2022. The value of this indicator for these three partners cannot be established at this stage.

**Impact indicator 3:** Governance in neighbourhood

**Explanation:** The following three indicators are measured for the eastern and southern neighbourhood countries. They are measured on a scale from 0 to 100

- **Voice and accountability** captures perceptions of the extent to which a country's citizens are able to participate in selecting their government, as well as freedom of expression, freedom of association, and a free media
- **Government effectiveness** captures perceptions of the quality of public services, the quality of the civil service and the degree of its independence from political pressures, the quality of policy formulation and implementation, and the credibility of the government's commitment to such policies
- **Political stability and absence of violence / terrorism** captures perceptions of the likelihood of political instability and / or politically-motivated violence, including terrorism

**Source of the data:** The World Bank's Worldwide Governance Indicators (WGI) project compiles and summarises information from over 30 existing data sources that report the views and experiences of citizens, entrepreneurs, and experts in the public, private and NGO sectors from around the world, on the quality of various aspects of governance

| **Baseline** (2017) | **Interim Milestone** (2022) | **Target** (2024) | **Latest known results** (2024) |
|---|---|---|---|
| Voice and accountability:<br>Eastern neighbourhood: 33.09<br>Southern neighbourhood: 27.98 | Increase | Increase | Voice and accountability:<br>Eastern neighbourhood: 35.04<br>Southern neighbourhood: 27.34 |
| Government effectiveness:<br>Eastern neighbourhood: 46.32<br>Southern neighbourhood: 37.98 | Increase | Increase | Government effectiveness:<br>Eastern neighbourhood: 44.89<br>Southern neighbourhood: 35.69 |
| Political stability and absence of violence / terrorism:<br>Eastern neighbourhood: 27.06<br>Southern neighbourhood: 13.43 | Stabilise | Increase | Political stability and absence of violence / terrorism:<br>Eastern neighbourhood: 19.66<br>Southern neighbourhood: 17.32 |

***Specific objective 4.1: Neighbouring and enlargement***

*Related to spending programme(s): ERDF/IPA*

**Result indicator 4.1.1** ([16])**:** Number of Interreg programmes with stepped up participation of Western Balkan and Eastern Neighbourhood accession countries in their implementation.

**Explanation:** Exposure of candidate countries to cohesion policy and learning opportunities in implementing the policy

**Source of the data:** Interreg cooperation programmes involving candidate countries.

([16]) Indicator was revised since last AAR.

| Baseline (2020) | Interim Milestone (2022) | Target (2024) | Latest known results (2024) |
|---|---|---|---|
| 12 | 18 | 18 | Achieved |

**Result indicator 4.1.2:** Faster adoption and implementation of the Uptake of investments in territorial cooperation programmes on EU external borders with third neighbouring countries, in the framework of the European Neighbourhood Policy and EU-Russia relations

**Explanation:** The indicator will measure the levels of cooperation between the relevant authorities in the EU Member States and non-EU partner countries of the Eastern and Southern Neighbourhood (cooperation with Russia has been suspended following the war of aggression against Ukraine)

**Source of the data:** REGIO database (SFC)

| Baseline (2020) | Interim Milestone (2022) | Target (2024) | Latest known results (2024) |
|---|---|---|---|
| Number of Interreg NEXT programmes 2021-2027 adopted | 50% of the foreseen programmes adopted | 100% of the programmes adopted are being implemented | Achieved |

***Specific objective 4.2: Cohesion policy's role in external relations***

*Related to spending programme(s): IPA/ENI*

**Result indicator 4.2.1:** Number of strategies and agreements with strategic partners or world regions, containing a component for regional and urban policy, coordinating and steering relevant EU initiatives on regional and urban policy with strategic partners

**Explanation:** Inclusion of specific provisions on regional and urban policy cooperation in Strategic Partnership, Association and Cooperation Agreements with strategic partners, in EU strategies, policy documents (as Action Plans, Cooperation Agendas with strategic partners, Summit Conclusions or Policy Dialogues Conclusions), coordination of EU partnerships on urban policy as the EU-India Smart and Sustainable Urbanisation Partnership

**Source of the data:** Legal texts, strategic policy documents, minutes, joint statements or conclusions of regional and urban policy dialogues

| Baseline (2020) | Interim Milestone (2022) | Target (2024) | Latest known results (2024) |
|---|---|---|---|
| Regional and urban policy dialogues established with 9 strategic partners (Japan, China, India, Mexico, Brazil, Chile, Colombia, Peru, Argentina) and 1 regional organisation (SICA) | Successful conclusion of negotiations of articles on regional and urban policy in EU-Chile Association Agreement, EU-MERCOSUR Association Agreement, EU-Mexico Modernised Agreement | Achieved | Achieved |
| Specific provisions in EU-Japan SPA, EU-India Urbanisation Partnership, EU-China Joint Statement EU Latin America Strategy | Inclusion of regional and urban policy provisions in Summit joint statements and new EU strategies and cooperation agendas with India, China, Japan and Latin America | Regional and urban policy cooperation strengthened and highlighted in subsequent high-level events (Summits) and operational documents (action plans, cooperation agendas) | EU-China: A 5-year (2024-28) cooperation action plan was signed between REGIO and the National Development and Reform Commission of the PRC |

| | | | |
|---|---|---|---|
| Regional and urban policy dialogues established with 9 strategic partners (Japan, China, India, Mexico, Brazil, Chile, Colombia, Peru, Argentina) | Regional and urban policy dialogues with operational conclusions with at least 5 of the 9 partners | 7 Regional and urban policy dialogues with all partners conducted | Achieved |

**Result indicator 4.2.2:** Number of cooperation programmes, projects, initiatives, studies and networks with strategic partners
**Explanation:** Implementation of cooperation programmes and projects involving EU regions and cities with non-EU regions and cities, joint research and studies on common challenges
**Source of the data:** Related projects' reports and studies

| **Baseline** (2020) | **Interim Milestone** (2022) | **Target** (2024) | **Latest known results** (2024) |
|---|---|---|---|
| Finalisation of the first phase of the International Urban Cooperation programme (IUC) funded by the Partnership Instrument (PI) | International Urban and Regional Cooperation (IURC): Second phase of IUC effectively launched, 100 cities (50 from EU) and 60 regions (30 from EU) selected and started to cooperate | IURC programme successfully implemented, thematic networks established on topics of EU interest, action plans developed by participating cities, knowledge sharing platform completed | Achieved |
| | Pilot project (EP): Four thematic city networks established including selection of 32 cities (at least 16 from EU) | Pilot project successfully implemented; thematic networks established | Achieved |
| | Studies on demographic change and territorial development (with Japanese partners) and on smart specialisation (with Chinese partners) carried out | Final reports delivered, including at least 5 case studies and a final event for each study | Achieved |

**Performance tables from the Management Plan 2024 (Outputs)**

**General objective 1: A European Green Deal**

**Specific objective 1.1: Investments in climate**

*Related to spending programme(s): ERDF, CF, JTF*

**Main outputs in 2024:**

**Other important outputs**

| Output | Indicator | Target | Latest known results (situation on 31/12/2024) |
|---|---|---|---|
| Dissemination of knowledge internally and externally, promoting the effective use of cohesion policy Funds to contribute to the implementation of the European Green Deal | Major events covering EU27 with strong Member States /stakeholder engagement in terms of network meetings, platforms and working groups | > 20 | Achieved |
| Organisation of NEB Prizes in order to generate, and then be able to promote, the New European Bauhaus values in cohesion policy programmes | Organising the NEB prizes - Prizes ceremony announcing the winners | Q2 2024 | Achieved |
| Promoting and implementing the New European Bauhaus values in REGIO led programmes and initiatives | Cohesion policy programmes launching targeted NEB calls, or calls which include NEB values | 10 NEB calls | Achieved |

**Specific objective 1.2: Mobilising in research and innovation**

*Related to spending programme(s): ERDF, CF, JTF*

**Main outputs in 2024:**

**Other important outputs**

| Output | Indicator | Target | Latest known results (situation on 31/12/2023) |
|---|---|---|---|
| Supporting the Green Deal through interregional innovation projects | % of supported projects by I3 in 2024 that are Green Deal relevant | At least 50% | Achieved |

**Specific objective 1.3: Just transition**

*Related to spending programme(s): JTM*

**Main outputs in 2024:**

**Other important outputs**

| Output | Indicator | Target | Latest known results (situation on 31/12/2024) |
|---|---|---|---|
| | Start of second TA framework contract | Q1 2024 | Achieved |

| Output | Indicator | Target | Latest known results (situation on 31/12/2024) |
|---|---|---|---|
| Further development and operation of the Just Transition Platform on the ground (technical assistance for the implementation of the JTM in JTF territories) | Number of meetings of JT Platform | 2 | Achieved |

**General objective 2: A Europe Fit for the Digital Age**

**Specific objective 2.1: Digital transformation**

*Related to spending programme(s): ERDF, CF*

**Main outputs in 2024:**

**Other important outputs**

| Output | Indicator | Target | Latest known results (situation on 31/12/2024) |
|---|---|---|---|
| Dissemination of knowledge internally and externally, promoting the effective use of cohesion policy funds to contribute to the implementation of the digital transformation | Major events covering EU27 with strong Member States/stakeholder engagement in terms of network meetings, platforms and working groups | 4 | Achieved |

**Specific objective 2.2: Innovative and smart transformation**

*Related to spending programme(s): ERDF, CF*

**Main outputs in 2024:**

**Other important outputs**

| Output | Indicator | Target | Latest known results (situation on 31/12/2024) |
|---|---|---|---|
| Dissemination of knowledge internally and externally, promoting the effective use of cohesion policy funds to contribute to the implementation of the smart growth objectives | Major events covering EU27 with strong Member States/stakeholder engagement in terms of network meetings, platforms and working groups | 12 | Achieved |

**General objective 3: An Economy that Works for People**
**Specific objective 3.1: Full, effective, and compliant use of funds**
*Related to spending programme(s): ERDF, CF, JTF, EUSF*

**Main outputs in 2024:**

**Initiatives linked to regulatory simplification and burden reduction**

| Output | Indicator | Target | Latest known results (situation on 31/12/2024) |
|---|---|---|---|
| Use of Simplified Cost Options (SCOs) and Financing Not Linked to Costs (FNLC) as method of reimbursement of the Union contribution | Number of bilateral and multilateral meetings with Member States, including workshops/trainings and meetings of the Transnational Network on Simplification | 15 | Achieved |
| Verify the extent of the actual and planned use of SCOs and FNLC, including analysis of the results and benefits achieved, lessons learned and key recommendations for improving and facilitating the use of SCO and FNLC | Number of implementation reports submitted for discussion at senior management level | 1 report by Q4 | Achieved |

**Significant evaluations and fitness checks**

| Output | Indicator | Target | Latest known results (situation on 31/12/2024) |
|---|---|---|---|
| Improvement of Member States' evaluation capacity | Support initiatives carried out through the evaluation helpdesk: 1 summer school | Q4 2024 | Achieved |
| 2014-2020 Ex-post evaluation of cohesion policy | Draft finals delivered for all Work Packages | Q3 2024 | 80% achieved.<br>Due to quality issues of delivered packages, the Synthesis Report will only be completed by Q2 2025. |
| Mid-term evaluation of cohesion policy funds (article 45(1) of the CPR) | The evaluation will report on the progress of implementation, take stock of the key features of the 2021-27 programming period, and look at how the programming is delivering on emerging challenges | Q4 2024 | 80% achieved.<br>The Staff Working Document needed to be updated following the comments from Regulatory Scrutiny Board. Publication is planned by Q2/2025 |

**Other Important outputs**

| **Output** | **Indicator** | **Target** | **Latest known results** (situation on 31/12/2024) |
|---|---|---|---|
| Senior management is regularly informed about the progress in implementation of the 2021-2027 period | Number of implementation reports submitted for discussion at senior management level | 4 | Achieved |
| Preparation of the future cohesion policy | Publication of the 9th Cohesion Report | Q1 2024 | Achieved |
| | Publication of the final report of the high-level group | Q1 2024 | Achieved |
| | Report to the Board of Directors on the outcome of internal working groups | Q2 2024 | Achieved |
| | Successful organisation of the 9th Cohesion Forum | Q2 2024 | Achieved |
| Cohesion Open Data Platform | Updates to reflect implementation progress for all programmes | 2 updates linked to the 2014-2020 period (March, September, December) | Achieved |
| | Publication of new or updated data stories on the 2021-2027 programming | 10 | Achieved |
| Encourage a wider uptake of financial instruments and support GUs and Member States in the implementation of financial instruments | Implementation of the 2024 FI-compass work programme – FI – campus conference and Member States specific support and other activities throughout the year | Q4 2024 | Achieved |
| European Community of Practice on Partnership 2021-2027 is functioning, sharing good practices and is producing concrete recommendations for the possible update of the European Code of Conduct on partnership. | One physical plenary meeting of ECoPP in Brussels, One virtual meeting of ECoPP | Q1 2024<br><br>Q4 2024 | Achieved |
| Consulting organisations which represent partners at Union level on the implementation of the programmes. Art 8(5) of the CPR 2021-2027 | CPR partners dialogues in 2024 | 2 | 90% achieved.<br>Due to the transition period to the new commission, the second meeting took place only in February 2025. |

| Output | Indicator | Target | Latest known results<br>(situation on 31/12/2024) |
|---|---|---|---|
| Exchange of experience and expertise between staff working in administrations managing the ERDF/Cohesion Fund/JTF using REGIO Peer2Peer+ | Number of participants in TAIEX-REGIO Peer2Peer exchange events in 2024. | >800 | 75% achieved.<br>Lower than expected participant numbers are due to organisation of fewer multi-country workshops and due to the fact that 50% of exchange events were either study visits or expert missions, which typically involve only a limited number of participants. |
| Implementation of the strategic training programme for Member State experts in programme authorities on State aid, strategic public procurement, anti-fraud/corruption, Integrity Pacts, citizens engagement in cohesion policy etc.. | Number of participants trained under the strategic training programme in 2024. | 400 | Achieved |
| Offer tailored assistance to Member States, regions and cities by JASPERS for improving the project pipeline in accordance with the priorities of DG REGIO | Number of JASPERS assignment requests validated by geographical units | 90 | Achieved |
| Implementation of the Action Plan designed to address the Internal Audit Service's recommendations following the audit on preparedness for closing the 2014-2020 programming period | Full implementation of the actions contained in the Action Plan, including coordination across Commission services (DG EMPL and DG MARE) | Q4 2024 | Achieved |
| Promotion of Simplified cost options (SCOs) and Financing not linked to costs (FNLC), and, more generally, simplification of the cohesion policy implementation | Number of bilateral and multilateral meetings with Member States, including workshops/trainings and meetings of the Transnational Network on Simplification | 8 | Achieved |

| **Specific objective 3.2: *Complementarity with structural reforms*** | | | |
|---|---|---|---|
| *Related to spending programme(s): ERDF, CF* | | | |
| **Main outputs in 2024:** | | | |
| **Other important outputs** | | | |
| **Output** | **Indicator** | **Target** | **Latest known results** (situation on 31/12/2024) |
| Analysis of priority reform areas relevant for cohesion policy | Submission to DG REFORM of an analysis of priority reform areas particularly relevant for cohesion policy | Q2 2024 | Achieved |
| Commission position on fulfilment of horizontal and thematic enabling conditions established following notification on fulfilment from Member States | Decisions adopted within the regulatory deadline according to 15(4) and 15(6) CPR | 1 report by Q4 | Achieved |

| **Specific objective 3.3: European semester** | | | |
|---|---|---|---|
| *Related to spending programme(s): ERDF, CF* | | | |
| **Main outputs in 2024:** | | | |
| **Other important outputs** | | | |
| **Output** | **Indicator** | **Target** | **Latest known results** (situation on 31/12/2024) |
| REGIO contribution to the European Semester | Contribution to the country Reports | Q2 2024 | Achieved |

| **Specific objective 3.4: Demographic and social challenges** | | | |
|---|---|---|---|
| *Related to spending programme(s): ERDF, CF, JTF* | | | |
| **Main outputs in 2024:** | | | |
| **Other important outputs** | | | |
| **Output** | **Indicator** | **Target** | **Latest known results** (situation on 31/12/2024) |
| Roll out of the support to selected regions under Pillars 1 and 2 | 15 regions receiving expert support | Q2 2024 | Achieved |
| Support to quality and impactful investments aimed at integration of marginalised communities | Start of the World Bank support activities in targeted countries | Q2 2024 | Achieved |

| **Specific objective 3.5: Urban and territorial development** *Related to spending programme(s): ERDF, CF* | | | |
|---|---|---|---|
| **Main outputs in 2024:** | | | |
| **Other important outputs** | | | |
| **Output** | **Indicator** | **Target** | **Latest known results (situation on 31/12/2024)** |
| Bilateral dialogues with Outermost Regions supporting their development strategies | Number of meetings | 9 | 30% achieved.<br>Due to the transition to the new Commission, the dialogues could not take place in autumn 2024 and were postponed to April 2025. Despite that, dialogues continued at a technical level. |
| Facilitated implementation and increased visibility for the 4 EU macro-regional strategies (in the Baltic Sea, the Adriatic and Ionian, the Danube, and the Alpine Region) | Number of major strategy events organised | 4 Annual fora and 1 High-level Group meeting during the macro-regional week in Brussels | Achieved |
| | Adoption of the 5th biennial Report from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions on the implementation of EU macro-regional strategies | Q4 2024 | 90% achieved.<br>Due to the transition to the new Commission, the finalisation of the implementation report was delayed. The adoption is planned for April 2025. |
| Implementation of the rolling action plan for a Long-term vision for rural areas | Workshop for stakeholders presenting the final version of the Toolkit for combination of funding for the development of rural areas available online | Q1 2024 | Achieved |
| Maintain the involvement of IVY trainees (Interreg Volunteer Youth) in Interreg programmes and projects to its 2022 level (year of Youth) | Number of volunteers that have been deployed in programmes and projects | 100 | Achieved |
| Methodological toolkit for Functional Areas developed made available to local stakeholders | A toolkit published | Q2 2024 | Achieved |
| Preparation and launch of the 3rd call for EUI-innovative actions | Launch of the call | Q2 2024 | Achieved |

| Output | Indicator | Target | Latest known results (situation on 31/12/2024) |
|---|---|---|---|
| Report on developments in connection with the European Urban Initiative submitted by the Commission to the European Parliament and to the Council (Art 12 of ERDF Regulation) | Report submitted | Q4 2024 | 90% achieved. The report was adopted with some delay in February 2025. |
| Report to EP and Council on the implementation of the Commission Communication on the outermost regions (COM(2022)198final) | Report to be adopted before the end of the Commission mandate | Q4 2024 | Achieved |
| Steer the implementation of the new outermost regions' strategy adopted in May 2022: mainstream outermost regions' concerns into all relevant EU policies | Number of Commission initiatives that reflect outermost regions' specificities/ have specific provisions for these regions | 8 | Achieved |
| Support to Urban agenda for the EU | 2 new UAEU Partnerships receiving support for their activity | Q1 2024 | Achieved |
| Consultation of programmes and stakeholders to feed the reflection on the Post-2027 Interreg programmes | Number of consultations (events and other forms of consultation) | 4 | Achieved |

**General objective 4: A Stronger Europe in the World**

**Specific objective 4.1: Neighbouring and enlargement**

*Related to spending programme(s): ENI-CBC, IPA-CBC*

**Main outputs in 2024:**

**Other important outputs**

| Output | Indicator | Target | Latest known results (situation on 31/12/2024) |
|---|---|---|---|
| Appropriate cohesion policy input included in the Commission's Annual Enlargement Package in Q4 | Contributions provided to NEAR | Q4 2024 | Achieved |

| **Specific objective 4.2: Cohesion policy's role in external relations** *Related to spending programme(s): ERDF, CF, ENI-CBC, IPA-CBC* | | | |
|---|---|---|---|
| **Main outputs in 2024:** | | | |
| **Other important outputs** | | | |
| **Output** | **Indicator** | **Target** | **Latest known results (situation on 31/12/2024)** |
| Regional and urban policy dialogues with strategic partners | Number of dialogues including policy conclusions | 2 | 75% achieved.<br>The EU-China High-Level Regional Policy Dialogue took place in Beijing last September. Due to the transition to the new Commission, the policy dialogue with Japan was postponed to 2025. |
| Successful implementation of the new International Urban and Regional Cooperation programme (IURC) | Number of thematic networking events | 6 | Achieved |

| **General objective 5: External communication actions** *Related to all spending programmes* | | | |
|---|---|---|---|
| **Main outputs in 2024:** | | | |
| **Other important outputs** | | | |
| **Output** | **Indicator** | **Target** | **Latest known results (situation on 31/12/2024)** |
| Greater use of INFOREGIO and Kohesio to increase visibility and transparency of cohesion policy | Total Number of Visitors | >1,000,000 | Achieved |
| Increasing Media impact to communicate on cohesion policy achievements | Number of mentions of the policy portfolio in the Daily Press Review during the year | >5,700 | Achieved |
| Successful implementation of Integrated umbrella campaign EU in my Region | Percentage of the regional population reached by the regional communication campaigns | >50% | Achieved |
| Organisation of the annual REGIOSTARS contest to highlight cohesion policy achievements at local level | Number of applications for the awards | >200 | Achieved |

# ANNEX 3: Draft annual accounts and financial reports

| TABLE 1: OUTTURN ON COMMITMENT APPROPRIATIONS IN 2024 (in Mio €) for DG REGIO | | | | | |
|---|---|---|---|---|---|
| | | | **Commitment appropriations authorised*** | **Commitments made** | **%** |
| | | | 1 | 2 | 3=2/1 |
| **Title 01 Research and Innovation** | | | | | |
| 01 | 01 01 | Support administrative expenditure of the "Research and Innovation" cluster | 0.01 | 0.00 | 0.00 % |
| **Total Title 01** | | | **0.01** | **0.00** | **0.00 %** |
| **Title 02 European Strategic Investments** | | | | | |
| 02 | 02 03 | Connecting Europe Facility (CEF) | 1.00 | 1.00 | 100.00 % |
| **Total Title 02** | | | **1.00** | **1.00** | **100.00 %** |
| **Title 03 Single Market** | | | | | |
| 05 | 05 01 | Single Market Programme | 0.00 | 0.00 | 0.00 % |
| **Total Title 03** | | | **0.00** | **0.00** | **0.00 %** |
| **Title 05 Regional Development and Cohesion** | | | | | |
| 05 | 05 01 | Support administrative expenditure of the 'Recovery and Resilience' cluster | 0.07 | 0.07 | 100.00 % |
| | 05 02 | European Regional Development Fund (ERDF) | 43,708.48 | 42,825.15 | 97.98 % |
| | 05 03 | Cohesion Fund (CF) | 7,949.60 | 7,675.38 | 96.55 % |
| | 05 20 | Pilot projects, preparatory actions, prerogatives and other actions | 3.60 | 3.50 | 97.34 % |
| **Total Title 05** | | | **51,661.74** | **50,504.10** | **97.76 %** |
| **Title 07 Investing in People, Social Cohesion and Values** | | | | | |
| 07 | 07 01 | Support administrative expenditure of the "Investing in People, Social Cohesion and Values" cluster | 0.02 | 0.02 | 100.00 % |
| | 07 02 | European Social Fund Plus (ESF+) | 20.17 | 20.17 | 100.00 % |
| **Total Title 07** | | | **20.19** | **20.19** | **100.00 %** |
| **Title 08 Agriculture and Maritime Policy** | | | | | |
| 08 | 08 02 | European Agricultural Guarantee Fund (EAGF) | 0.56 | 0.56 | 100.00 % |
| | 08 03 | European Agricultural Fund for Rural Development (EAFRD) | 3.27 | 3.27 | 100.00 % |
| | 08 04 | European Maritime, Fisheries and Aquaculture Fund (EMFAF) | 0.55 | 0.55 | 100.00 % |
| **Total Title 08** | | | **4.39** | **4.39** | **100.00 %** |
| **Title 09 Environment and Climate Action** | | | | | |
| 09 | 09 01 | Support administrative expenditure of the 'Environment and Climate Action' Cluster | 26.08 | 0.13 | 0.49 % |
| | 09 03 | Just Transition Fund (JTF) | 1,489.71 | 1,479.05 | 99.28 % |

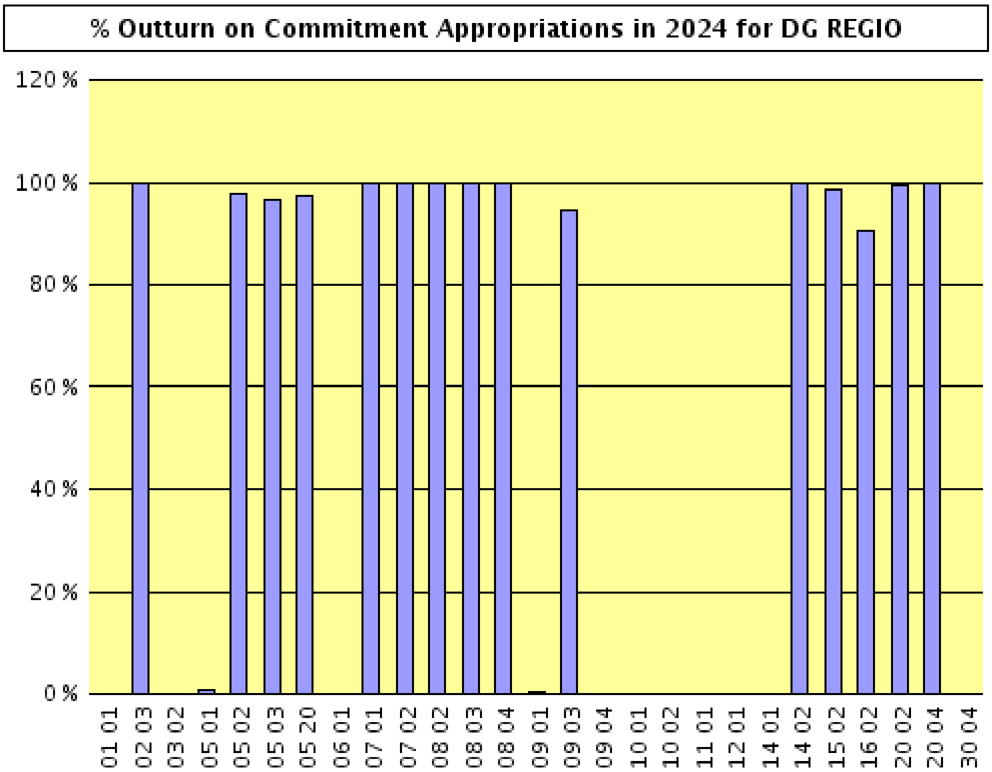
| | | | | | |
|---|---|---|---|---|---|
| | 09 04 | Public sector loan facility under the Just Transition Mechanism (JTM) | 397.16 | 0.00 | 0.00 % |
| **Total Title 09** | | | **1,912.95** | **1,479.18** | **77.32 %** |
| **Title 10 Migration** | | | | | |
| 10 | 10 01 | Support administrative expenditure of the "Migration" Cluster | 0.00 | 0.00 | 0.00 % |
| | 10 02 | Asylum, Migration and Integration Fund (AMIF) | 0.00 | 0.00 | 0.00 % |
| **Total Title 10** | | | **0.00** | **0.00** | **0.00 %** |
| **Title 11 Border Management** | | | | | |
| 11 | 11 01 | Support administrative expenditure of the 'Border Management' cluster | 0.00 | 0.00 | 0.00 % |
| **Total Title 11** | | | **0.00** | **0.00** | **0.00 %** |
| **Title 12 Security** | | | | | |
| 12 | 12 01 | Support administrative expenditure of the "Security" cluster | 0.00 | 0.00 | 0.00 % |
| **Total Title 12** | | | **0.00** | **0.00** | **0.00 %** |
| **Title 14 External Action** | | | | | |
| 14 | 14 01 | Support administrative expenditure of the 'External Action' cluster | 0.00 | 0.00 | 0.00 % |
| | 14 02 | Neighbourhood, Development and International Cooperation Instrument - Global Europe (NDICI - Global Europe) | 111.02 | 111.02 | 100.00 % |
| **Total Title 14** | | | **111.02** | **111.02** | **100.00 %** |
| **Title 15 Pre-accession Assistance** | | | | | |
| 15 | 15 02 | Instrument for Pre-accession Assistance (IPA III) | 72.33 | 71.17 | 98.40 % |
| **Total Title 15** | | | **72.33** | **71.17** | **98.40%** |
| **Title 16 Expenditure outside the annual ceilings set out in the Multiannual Financial Framework** | | | | | |
| 16 | 16 02 | Mobilisation of solidarity mechanisms (Special instruments) | 1, 369.90 | 1,240.94 | 90.59% |
| **Total Title 16** | | | **1,369.90** | **1,240.94** | **90.59%** |
| **Title 20 Administrative expenditure of the European Commission** | | | | | |
| 20 | 20 02 | Other staff and expenditure relating to persons | 0.05 | 0.05 | 99.58 % |
| | 20 04 | Information and communication technology-related expenditure | 0.69 | 0.69 | 100.00 % |
| **Total Title 20** | | | **0.74** | **0.74** | **99.97 %** |
| **Title 30 Reserves** | | | | | |
| 30 | 30 04 | Solidarity mechanisms (special instruments) | 0.00 | 0.00 | 0.00 % |
| **Total Title 30** | | | **0.00** | **0.00** | **0.00 %** |
| **Total Excluding NGEU** | | | **55,154.26** | **53,432.72** | **96.88 %** |

| **Title 05 Regional Development and Cohesion** | | | | | |
|---|---|---|---|---|---|
| 05 | 05 01 | Support administrative expenditure of the 'Regional Development and Cohesion' cluster | 8.40 | 0.00 | 0.00 % |
| | 05 02 | European Regional Development Fund (ERDF) | 292.64 | 276.24 | 94.40 % |

| | | | | | |
|---|---|---|---|---|---|
| **Total Title 05** | | | **301.04** | **276.24** | **91.76 %** |
| **Title 06 Recovery and Resilience** | | | | | |
| 06 | 06 01 | Support administrative expenditure of the 'Recovery and Resilience' cluster | 0.00 | 0.00 | 0.00 % |
| **Total Title 06** | | | **0.00** | **0.00** | **0.00 %** |
| **Title 09 Environment and Climate Action** | | | | | |
| 09 | 09 01 | Support administrative expenditure of the 'Environment and Climate Action' Cluster | 14.46 | 0.00 | 0.00 % |
| | 09 03 | Just Transition Fund (JTF) | 73.66 | 2.12 | 2.88 % |
| **Total Title 09** | | | **88.12** | **2.12** | **2.41 %** |
| **Total NGEU Only** | | | **389.15** | **278.36** | **71.53 %** |

| | | | |
|---|---|---|---|
| **Total DG REGIO** | **55,543.41** | **53,711.08** | **96.70 %** |

** Commitment appropriations authorised include, in addition to the budget voted by the legislative authority, appropriations carried over from the previous exercise, budget amendments as well as miscellaneous commitment appropriations for the period (e.g. internal and external assigned revenue).*



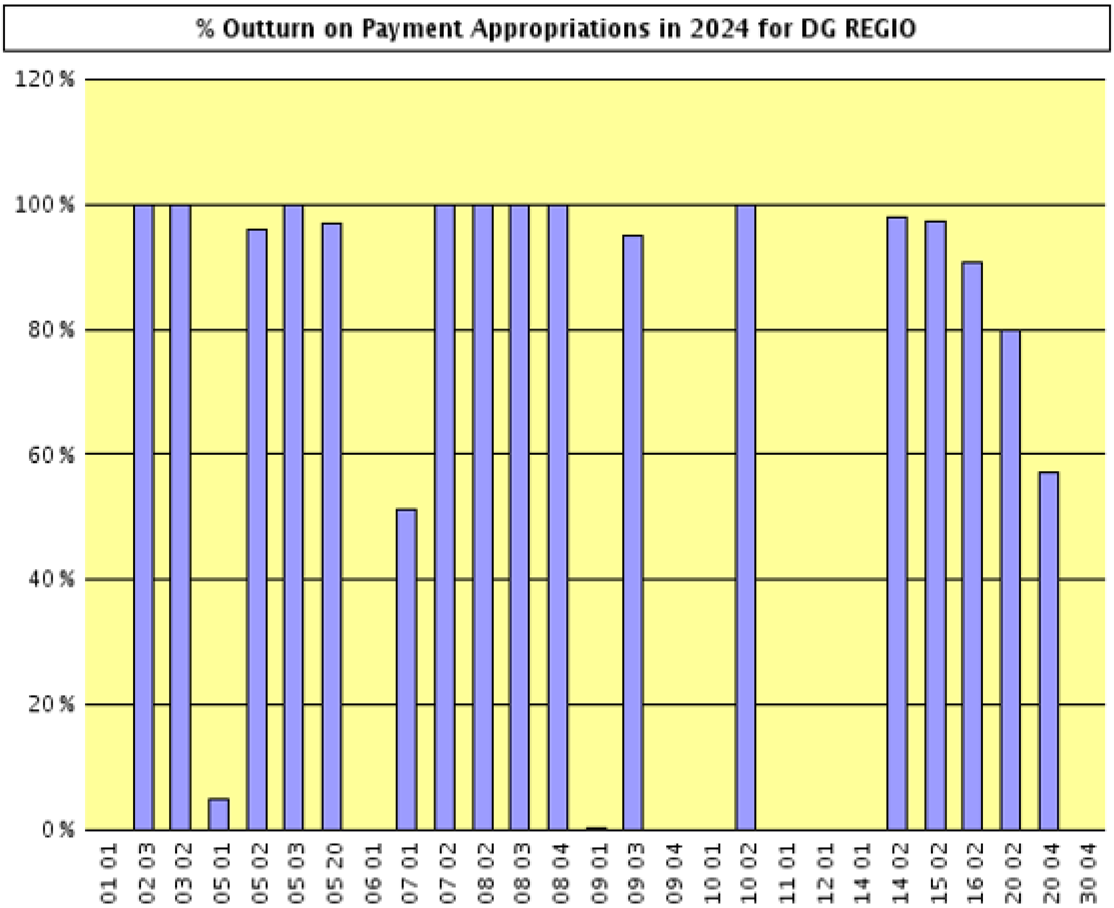
| TABLE 2: OUTTURN ON PAYMENT APPROPRIATIONS in 2024 (in Mio €) for DG REGIO | | | Payment appropriations authorised * | Payments made | % |
|---|---|---|---|---|---|
| | | | 1 | 2 | 3=2/1 |
| | | | | | |
| Title 01 Research and Innovation | | | | | |
| 01 | 01 01 | Support administrative expenditure of the "Research and Innovation" cluster | 0.01 | 0.00 | 0.00 % |
| **Total Title 01** | | | **0.01** | **0.00** | **0.00%** |
| Title 02 European Strategic Investments | | | | | |
| 02 | 02 03 | Connecting Europe Facility (CEF) | 0.98 | 0.98 | 100.00 % |
| **Total Title 02** | | | **0.98** | **0.98** | **100.00%** |
| Title 03 Single Market | | | | | |
| 03 | 03 02 | Single Market Programme | 0.22 | 0.22 | 100.00 % |
| **Total Title 03** | | | **0.22** | **0.22** | **100.00%** |
| Title 05 Regional Development and Cohesion | | | | | |
| 05 | 05 01 | Support administrative expenditure of the ‘Regional Development and Cohesion’ cluster | 0.12 | 0.07 | 60.40 % |
| | 05 02 | European Regional Development Fund (ERDF) | 22,004.34 | 21,688.64 | 98.57 % |
| | 05 03 | Cohesion Fund (CF) | 4,073.86 | 4,073.74 | 100.00 % |
| | 05 20 | Pilot projects, preparatory actions, prerogatives and other actions | 3.24 | 3.15 | 97.05 % |
| **Total Title 05** | | | **26,081.56** | **25,765.60** | **98.79%** |
| Title 07 Investing in People, Social Cohesion and Values | | | | | |
| 07 | 07 01 | Support administrative expenditure of the "Investing in People, Social Cohesion and Values" cluster | 0.03 | 0.02 | 51.13 % |
| | 07 02 | European Social Fund Plus (ESF+) | 1.53 | 1.53 | 100.00 % |
| **Total Title 07** | | | **1.56** | **1.55** | **98.97%** |
| Title 08 Agriculture and Maritime Policy | | | | | |
| 08 | 08 02 | European Agricultural Guarantee Fund (EAGF) | 0.12 | 0.12 | 100.00 % |
| | 08 03 | European Agricultural Fund for Rural Development (EAFRD) | 2.99 | 2.99 | 100.00 % |
| | 08 04 | European Maritime, Fisheries and Aquaculture Fund (EMFAF) | 0.48 | 0.48 | 100.00 % |
| **Total Title 08** | | | **3.59** | **3.59** | **100.00%** |
| Title 09 Environment and Climate Action | | | | | |
| 09 | 09 01 | Support administrative expenditure of the ‘Environment and Climate Action’ Cluster | 26.08 | 0.05 | 0.20 % |
| | 09 03 | Just Transition Fund (JTF) | 1.49 | 1.43 | 96.43 % |

| | | | | | |
|---|---|---|---|---|---|
| | 09 04 | Public sector loan facility under the Just Transition Mechanism (JTM) | 443.00 | 0.00 | 0.00 % |
| **Total Title 09** | | | **470.57** | **1.48** | **0.32%** |
| | | **Title 10 Migration** | | | |
| 10 | 10 01 | Support administrative expenditure of the "Migration" Cluster | 0.00 | 0.00 | 0.00 % |
| | 10 02 | Asylum, Migration and Integration Fund (AMIF) | 0.94 | 0.94 | 100.00 % |
| **Total Title 10** | | | **0.94** | **0.94** | **100.00%** |
| | | **Title 11 Border Management** | | | |
| 11 | 11 01 | Support administrative expenditure of the ‘Border Management’ cluster | 0.00 | 0.00 | 0.00 % |
| **Total Title 11** | | | **0.00** | **0.00** | **0.00%** |
| | | **Title 12 Security** | | | |
| 12 | 12 01 | Support administrative expenditure of the "Security" cluster | 0.00 | 0.00 | 0.00 % |
| **Total Title 12** | | | **0.00** | **0.00** | **0.00%** |
| | | **Title 14 External Action** | | | |
| 14 | 14 01 | Support administrative expenditure of the ‘External Action’ cluster | 0.00 | 0.00 | 0.00 % |
| | 14 02 | Neighbourhood, Development and International Cooperation Instrument - Global Europe (NDICI - Global Europe) | 93.08 | 91.09 | 97.86 % |
| **Total Title 14** | | | **93.08** | **91.09** | **97.86%** |
| | | **Title 15 Pre-accession Assistance** | | | |
| 15 | 15 02 | Instrument for Pre-accession Assistance (IPA III) | 77.93 | 75.73 | 97.17 % |
| **Total Title 15** | | | **77.93** | **75.73** | **97.17%** |
| | | **Title 16 Expenditure outside the annual ceilings set out in the Multiannual Financial Framework** | | | |
| 16 | 16 02 | Mobilisation of solidarity mechanisms (special instruments) | 1,369.90 | 1,240.94 | 90.59 % |
| **Total Title 16** | | | **1,369.90** | **1,240.94** | **90.59%** |
| | | **Title 20 Administrative expenditure of the European Commission** | | | |
| 20 | 20 02 | Other staff and expenditure relating to persons | 0.08 | 0.06 | 79.96 % |
| | 20 04 | Information and communication technology-related expenditure | 1.45 | 0.83 | 57.16 % |
| **Total Title 20** | | | **1.53** | **0.89** | **58.32%** |
| | | **Title 30 Reserves** | | | |
| 30 | 30 04 | Solidarity mechanisms (special instruments) | 0.00 | 0.00 | 0.00 % |
| **Total Title 30** | | | **0.00** | **0.00** | **0.00%** |
| **Total Excluding NGEU** | | | **28,101.88** | **27,183.02** | **96.73%** |

| | | | | | |
|---|---|---|---|---|---|
| | | | | | |
| | | **Title 05 Regional Development and Cohesion** | | | |
| 05 | 05 01 | Support administrative expenditure of the ‘Regional Development and Cohesion’ cluster | 1.42 | 0.00 | 0.00 % |

| | | | | | |
|---|---|---|---|---|---|
| | 05 02 | European Regional Development Fund (ERDF) | 8,375.30 | 7,427.36 | 88.68 % |
| **Total Title 05** | | | **8,376.71** | **7,427.36** | **88.67%** |
| **Title 06 Recovery and Resilience** | | | | | |
| 06 | 06 01 | Support administrative expenditure of the ‘Recovery and Resilience’ cluster | 0.00 | 0.00 | 0.00 % |
| **Total Title 06** | | | **0.00** | **0.00** | **0.00%** |
| **Title 09 Environment and Climate Action** | | | | | |
| 09 | 09 01 | Support administrative expenditure of the ‘Environment and Climate Action’ Cluster | 0.88 | 0.00 | 0.00 % |
| | 09 03 | Just Transition Fund (JTF) | 6,461.32 | 6,142.82 | 95.07 % |
| **Total Title 09** | | | **6,462.19** | **6,142.82** | **95.06%** |
| **Total NGEU Only** | | | **14,838.90** | **13,570.17** | **91.45%** |
| **Total DG REGIO** | | | **42,940.78** | **40,753.19** | **94.91 %** |

** Payment appropriations authorised include, in addition to the budget voted by the legislative authority, appropriations carried over from the previous exercise, budget amendments as well as miscellaneous payment appropriations for the period (e.g. internal and external assigned revenue).*



| TABLE 3 : BREAKDOWN OF COMMITMENTS TO BE SETTLED AT 31/12/2024 (in Mio €) for DG REGIO | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | | | Commitments to be settled | | | | Commitments to be settled from financial years previous to 2023 | Total of commitments to be settled at end of financial year 2024 | Total of commitments to be settled at end of financial year 2024 |
| Chapter | | | Commitments | Payments | RAL | % to be settled | | | |
| | | | 1 | 2 | 3=1-2 | 4=1-2/1 | 5 | 6=3+5 | 7 |
| 01 | 01 01 | Support administrative expenditure of the "Research and Innovation" cluster | 0.00 | 0.00 | 0.00 | 0.00% | 0.00 | 0.00 | 0.00 |
| | **Total Title 01** | | **0.00** | **0.00** | **0.00** | **0.00%** | **0.00** | **0.00** | **0.00** |

| TABLE 3: BREAKDOWN OF COMMITMENTS TO BE SETTLED AT 31/12/2024 (in Mio €) for DG REGIO | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | | | Commitments to be settled | | | | Commitments to be settled from financial years previous to 2023 | Total of commitments to be settled at end of financial year 2024 | Total of commitments to be settled at end of financial year 2023 |
| Chapter | | | Commitments | Payments | RAL | % to be settled | | | |
| | | | 1 | 2 | 3=1-2 | 4=1-2/1 | 5 | 6=3+5 | 7 |
| 02 | 02 03 | Connecting Europe Facility (CEF) | 1.00 | 0.92 | 0.08 | 8.34% | 0.00 | 0.08 | 0.06 |
| | **Total Title 02** | | **1.00** | **0.92** | **0.08** | **8.34%** | **0.00** | **0.08** | **0.06** |
| | | | | | | | | | |

| TABLE 3: BREAKDOWN OF COMMITMENTS TO BE SETTLED AT 31/12/2024 (in Mio €) for DG REGIO | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | | | Commitments to be settled | | | | Commitments to be settled from financial years previous to 2023 | Total of commitments to be settled at end of financial year 2024 | Total of commitments to be settled at end of financial year 2023 |
| Chapter | | | Commitments | Payments | RAL | % to be settled | | | |
| | | | 1 | 2 | 3=1-2 | 4=1-2/1 | 5 | 6=3+5 | 7 |
| 03 | 0 03 02 | Single Market Programme | 0.00 | 0.00 | 0.00 | 0.00% | 0.08 | 0.08 | 0.30 |

| | Chapter | | Commitments | Payments | RAL | % to be settled | Commitments to be settled from financial years previous to 2023 | Total of commitments to be settled at end of financial year 2024 | Total of commitments to be settled at end of financial year 2023 |
|---|---|---|---|---|---|---|---|---|---|
| | **Total Title 03** | | **0.00** | **0.00** | **0.00** | **0.00%** | **0.08** | **0.08** | **0.30** |

TABLE 3: BREAKDOWN OF COMMITMENTS TO BE SETTLED AT 31/12/2024 (in Mio €) for DG REGIO

| Chapter | | | Commitments to be settled | | | | Commitments to be settled from financial years previous to 2023 | Total of commitments to be settled at end of financial year 2024 | Total of commitments to be settled at end of financial year 2023 |
|---|---|---|---|---|---|---|---|---|---|
| | | | Commitments | Payments | RAL | % to be settled | | | |
| | | | 1 | 2 | 3=1-2 | 4=1-2/1 | 5 | 6=3+5 | 7 |
| 05 | 05 01 | Support administrative expenditure of the 'Regional Development and Cohesion' cluster | 0.07 | 0.07 | 0.00 | 3.93% | 0.00 | 0.00 | 0.05 |
| | 05 02 | European Regional Development Fund (ERDF) | 42,825.15 | 1,890.20 | 40,934.95 | 95.59% | 61,962.53 | 102,897.48 | 81,715.46 |
| | 05 03 | Cohesion Fund (CF) | 7,675.38 | 802.23 | 6,873.16 | 89.55% | 9,122.71 | 15,995.86 | 12,413.45 |
| | 05 20 | Pilot projects, preparatory actions, prerogatives and other actions | 3.50 | 2.10 | 1.40 | 40.00% | 2.24 | 3.64 | 3.46 |
| | **Total Title 05** | | **50,504.10** | **2,694.59** | **47,809.51** | **94.66%** | **71,087.48** | **118,896.99** | **94,132.42** |

TABLE 3 : BREAKDOWN OF COMMITMENTS TO BE SETTLED AT 31/12/2024 (in Mio €) for DG REGIO

| Chapter | | | Commitments to be settled | | | | Commitments to be settled from financial years previous to 2023 | Total of commitments to be settled at end of financial year 2024 | Total of commitments to be settled at end of financial year 2023 |
|---|---|---|---|---|---|---|---|---|---|
| | | | Commitments | Payments | RAL | % to be settled | | | |
| | | | 1 | 2 | 3=1-2 | 4=1-2/1 | 5 | 6=3+5 | 7 |
| 07 | 07 01 | Support administrative expenditure of the "Investing in People, Social Cohesion and Values" cluster | 0.02 | 0.02 | 0.00 | 22.40% | 0.00 | 0.00 | 0.01 |

| | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | 07 02 | European Social Fund Plus (ESF+) | 20.17 | 0.00 | 20.16 | 100.00% | 39.91 | 60.07 | 41.48 |
| **Total Title 07** | | | **20.19** | **0.02** | **20.17** | **99.92%** | **39.91** | **60.07** | **41.49** |

**TABLE 3 : BREAKDOWN OF COMMITMENTS TO BE SETTLED AT 31/12/2024 (in Mio €) for DG REGIO**

| Chapter | | | Commitments to be settled | | | | Commitments to be settled from financial years previous to 2023 | Total of commitments to be settled at end of financial year 2024 | Total of commitments to be settled at end of financial year 2023 |
|---|---|---|---|---|---|---|---|---|---|
| | | | Commitments | Payments | RAL | % to be settled | | | |
| | | | 1 | 2 | 3=1-2 | 4=1-2/1 | 5 | 6=3+5 | 7 |
| 08 | 08 02 | European Agricultural Guarantee Fund (EAGF) | 0.56 | 0.12 | 0.44 | 78.02% | 0.00 | 0.44 | 0.00 |
| | 08 03 | European Agricultural Fund for Rural Development (EAFRD) | 3.27 | 0.00 | 3.27 | 100.00% | 9.80 | 13.07 | 12.79 |
| | 08 04 | European Maritime, Fisheries and Aquaculture Fund (EMFAF) | 0.55 | 0.03 | 0.52 | 94.67% | 0.21 | 0.73 | 0.67 |
| **Total Title 08** | | | **4.39** | **0.15** | **4.23** | **96.52%** | **10.01** | **14.24** | **13.46** |

**TABLE 3 : BREAKDOWN OF COMMITMENTS TO BE SETTLED AT 31/12/2024 (in Mio €) for DG REGIO**

| Chapter | | | Commitments to be settled | | | | Commitments to be settled from financial years previous to 2023 | Total of commitments to be settled at end of financial year 2024 | Total of commitments to be settled at end of financial year 2023 |
|---|---|---|---|---|---|---|---|---|---|
| | | | Commitments | Payments | RAL | % to be settled | | | |
| | | | 1 | 2 | 3=1-2 | 4=1-2/1 | 5 | 6=3+5 | 7 |
| 09 | 09 01 | Support administrative expenditure of the 'Environment and Climate Action' Cluster | 0.13 | 0.05 | 0.08 | 60.00% | 0.00 | 0.08 | 0.00 |
| | 09 03 | Just Transition Fund (JTF) | 1,479.05 | 0.01 | 1,479.03 | 100.00% | 2,765.82 | 4,244.85 | 2,768.76 |
| | 09 04 | Public sector loan facility under the Just Transition Mechanism (JTM) | 0.00 | 0.00 | 0.00 | 0.00% | 0.00 | 0.00 | 0.00 |

| | | | Commitments | Payments | RAL | % to be settled | Commitments to be settled from financial years previous to 2023 | Total of commitments to be settled at end of financial year 2024 | Total of commitments to be settled at end of financial year 2023 |
|---|---|---|---|---|---|---|---|---|---|
| **Total Title 09** | | | **1,479.18** | **0.07** | **1,479.11** | **100.00%** | 2,765.82 | 4,244.93 | 2,768.76 |

**TABLE 3: BREAKDOWN OF COMMITMENTS TO BE SETTLED AT 31/12/2024 (in Mio €) for DG REGIO**

| Chapter | | | Commitments to be settled | | | | Commitments to be settled from financial years previous to 2023 | Total of commitments to be settled at end of financial year 2024 | Total of commitments to be settled at end of financial year 2023 |
|---|---|---|---|---|---|---|---|---|---|
| | | | Commitments | Payments | RAL | % to be settled | | | |
| | | | 1 | 2 | 3=1-2 | 4=1-2/1 | 5 | 6=3+5 | 7 |
| 10 | 10 01 | Support administrative expenditure of the "Migration" Cluster | 0.00 | 0.00 | 0.00 | 0.00% | 0.00 | 0.00 | 0.00 |
| | 10 02 | Asylum, Migration and Integration Fund | 0.00 | 0.00 | 0.00 | 0.00% | 0.00 | 0.00 | 0.94 |
| **Total Title 10** | | | **0.00** | **0.00** | **0.00** | **0.00%** | **0.00** | **0.00** | **0.94** |

**TABLE 3: BREAKDOWN OF COMMITMENTS TO BE SETTLED AT 31/12/2024 (in Mio €) for DG REGIO**

| Chapter | | | Commitments to be settled | | | | Commitments to be settled from financial years previous to 2023 | Total of commitments to be settled at end of financial year 2024 | Total of commitments to be settled at end of financial year 2023 |
|---|---|---|---|---|---|---|---|---|---|
| | | | Commitments | Payments | RAL | % to be settled | | | |
| | | | 1 | 2 | 3=1-2 | 4=1-2/1 | 5 | 6=3+5 | 7 |
| 11 | 11 01 | Support administrative expenditure of the 'Border Management' cluster | 0.00 | 0.00 | 0.00 | 0.00% | 0.00 | 0.00 | 0.00 |
| **Total Title 11** | | | **0.00** | **0.00** | **0.00** | **0.00%** | **0.00** | **0.00** | **0.00** |

**TABLE 3: BREAKDOWN OF COMMITMENTS TO BE SETTLED AT 31/12/2024 (in Mio €) for DG REGIO**

| Chapter | | | Commitments to be settled | | | | Commitments to be settled from financial years previous to 2023 | Total of commitments to be settled at end of financial year 2024 | Total of commitments to be settled at end of financial year 2023 |
|---|---|---|---|---|---|---|---|---|---|
| | | | Commitments | Payments | RAL | % to be settled | | | |
| | | | 1 | 2 | 3=1-2 | 4=1-2/1 | 5 | 6=3+5 | 7 |

| | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| 12 | 12 01 | Support administrative expenditure of the "Security" cluster | 0.00 | 0.00 | 0.00 | 0.00% | 0.00 | 0.00 | 0.00 |
| **Total Title 12** | | | **0.00** | **0.00** | **0.00** | **0.00%** | **0.00** | **0.00** | **0.00** |

**TABLE 3: BREAKDOWN OF COMMITMENTS TO BE SETTLED AT 31/12/2024 (in Mio €) for DG REGIO**

| Chapter | | | Commitments to be settled | | | | Commitments to be settled from financial years previous to 2023 | Total of commitments to be settled at end of financial year 2024 | Total of commitments to be settled at end of financial year 2023 |
|---|---|---|---|---|---|---|---|---|---|
| | | | Commitments | Payments | RAL | % to be settled | | | |
| | | | 1 | 2 | 3=1-2 | 4=1-2/1 | 5 | 6=3+5 | 7 |
| 14 | 14 01 | Support administrative expenditure of the 'External Action' cluster | 0.00 | 0.00 | 0.00 | 0.00% | 0.00 | 0.00 | 0.00 |
| | 14 02 | Neighbourhood, Development and International Cooperation Instrument - Global Europe (NDICI - Global Europe) | 111.02 | 24.47 | 86.55 | 77.96% | 95.27 | 181.81 | 162.44 |
| **Total Title 14** | | | **111.02** | **24.47** | **86.55** | **77.96%** | **95.27** | **181.81** | **162.44** |

**TABLE 3: BREAKDOWN OF COMMITMENTS TO BE SETTLED AT 31/12/2024 (in Mio €) for DG REGIO**

| Chapter | | | Commitments to be settled | | | | Commitments to be settled from financial years previous to 2023 | Total of commitments to be settled at end of financial year 2024 | Total of commitments to be settled at end of financial year 2023 |
|---|---|---|---|---|---|---|---|---|---|
| | | | Commitments | Payments | RAL | % to be settled | | | |
| | | | 1 | 2 | 3=1-2 | 4=1-2/1 | 5 | 6=3+5 | 7 |
| 15 | 15 02 | Instrument for Pre-accession Assistance (IPA III) | 71.17 | 0.46 | 70.71 | 99.35% | 53.53 | 124.25 | 129.08 |
| **Total Title 15** | | | **71.17** | **0.46** | **70.71** | **99.35%** | **53.53** | **124.25** | **129.08** |

**TABLE 3: BREAKDOWN OF COMMITMENTS TO BE SETTLED AT 31/12/2024 (in Mio €) for DG REGIO**

| | Commitments to be settled | Commitments to be settled from financial years previous to 2023 | Total of commitments to be settled at end of financial year 2024 | Total of commitments to be settled at end of financial year 2023 |
|---|---|---|---|---|

| Chapter | | | Commitments | Payments | RAL | % to be settled | | | |
|---|---|---|---|---|---|---|---|---|---|
| | | | 1 | 2 | 3=1-2 | 4=1-2/1 | 5 | 6=3+5 | 7 |
| 16 | 16 02 | Mobilisation of solidarity mechanisms (Special instruments) | 1,240.94 | 1,240.94 | 0.00 | 0.00% | 0.00 | 0.00 | 0.00 |
| **Total Title 16** | | | **1,240.94** | **1,240.94** | **0.00** | **0.00%** | **0.00** | **0.00** | **0.00** |

**TABLE 3: BREAKDOWN OF COMMITMENTS TO BE SETTLED AT 31/12/2024 (in Mio €) for DG REGIO**

| Chapter | | | Commitments to be settled | | | | Commitments to be settled from financial years previous to 2023 | Total of commitments to be settled at end of financial year 2024 | Total of commitments to be settled at end of financial year 2023 |
|---|---|---|---|---|---|---|---|---|---|
| | | | Commitments | Payments | RAL | % to be settled | | | |
| | | | 1 | 2 | 3=1-2 | 4=1-2/1 | 5 | 6=3+5 | 7 |
| 20 | 20 02 | Other staff and expenditure relating to persons | 0.05 | 0.04 | 0.01 | 21.60% | 0.00 | 0.01 | 0.03 |
| | 20 04 | Information and communication technology-related expenditure | 0.69 | 0.16 | 0.53 | 76.12% | 0.00 | 0.53 | 0.76 |
| **Total Title 20** | | | **0.74** | **0.20** | **0.54** | **72.47%** | **0.00** | **0.54** | **0.79** |

**TABLE 3: BREAKDOWN OF COMMITMENTS TO BE SETTLED AT 31/12/2024 (in Mio €) for DG REGIO**

| Chapter | | | Commitments to be settled | | | | Commitments to be settled from financial years previous to 2023 | Total of commitments to be settled at end of financial year 2024 | Total of commitments to be settled at end of financial year 2024 |
|---|---|---|---|---|---|---|---|---|---|
| | | | Commitments | Payments | RAL | % to be settled | | | |
| | | | 1 | 2 | 3=1-2 | 4=1-2/1 | 5 | 6=3+5 | 7 |
| 30 | 30 04 | Solidarity mechanisms (special instruments) | 0.00 | 0.00 | 0.00 | 0.00% | 0.00 | 0.00 | 0.00 |
| **Total Title 30** | | | **0.00** | **0.00** | **0.00** | **0.00%** | **0.00** | **0.00** | **0.00** |
| **Total Excluding NGEU** | | | **53,432.72** | **3,961.82** | **49,470.90** | **92.59%** | **74,052.09** | **123,522.99** | **97,249.74** |

| TABLE 3: BREAKDOWN OF COMMITMENTS TO BE SETTLED AT 31/12/2024 (in Mio €) for DG REGIO | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | | | Commitments to be settled | | | | Commitments to be settled from financial years previous to 2023 | Total of commitments to be settled at end of financial year 2024 | Total of commitments to be settled at end of financial year 2023 |
| Chapter | | | Commitments | Payments | RAL | % to be settled | | | |
| | | | 1 | 2 | 3=1-2 | 4=1-2/1 | 5 | 6=3+5 | 7 |
| 05 | 05 01 | Support administrative expenditure of the 'Regional Development and Cohesion' cluster | 0.00 | 0.00 | 0.00 | 0.00% | 0.00 | 0.00 | 0.00 |
| | 05 02 | European Regional Development Fund (ERDF) | 276.24 | 259.17 | 17.06 | 6.18% | 1,911.70 | 1,928.76 | 9,034.90 |
| **Total Title 05** | | | **276.24** | **259.17** | **17.06** | **6.18%** | **1,911.70** | **1,928.76** | **9,034.90** |

| TABLE 3: BREAKDOWN OF COMMITMENTS TO BE SETTLED AT 31/12/2024 (in Mio €) for DG REGIO | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | | | Commitments to be settled | | | | Commitments to be settled from financial years previous to 2023 | Total of commitments to be settled at end of financial year 2024 | Total of commitments to be settled at end of financial year 2023 |
| Chapter | | | Commitments | Payments | RAL | % to be settled | | | |
| | | | 1 | 2 | 3=1-2 | 4=1-2/1 | 5 | 6=3+5 | 7 |
| 06 | 06 01 | Support administrative expenditure of the 'Recovery and Resilience' cluster | 0.00 | 0.00 | 0.00 | 0.00% | 0.00 | 0.00 | 0.00 |
| **Total Title 06** | | | **0.00** | **0.00** | **0.00** | **0.00%** | **0.00** | **0.00** | **0.00** |

| TABLE 3: BREAKDOWN OF COMMITMENTS TO BE SETTLED AT 31/12/2024 (in Mio €) for DG REGIO | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | | | Commitments to be settled | | | | Commitments to be settled from financial years previous to 2023 | Total of commitments to be settled at end of financial year 2024 | Total of commitments to be settled at end of financial year 2023 |
| Chapter | | | Commitments | Payments | RAL | % to be settled | | | |
| | | | 1 | 2 | 3=1-2 | 4=1-2/1 | 5 | 6=3+5 | 7 |

| | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| 09 | 09 01 | Support administrative expenditure of the 'Environment and Climate Action' Cluster | 0.00 | 0.00 | 0.00 | 0.00% | 0.00 | 0.00 | 0.00 |
| | 09 03 | Just Transition Fund (JTF) | 2.12 | 0.48 | 1.65 | 77.51% | 4,515.57 | 4,517.22 | 10,502.23 |
| **Total Title 09** | | | **2.12** | **0.48** | **1.65** | **77.51%** | **4,515.57** | **4,517.22** | **10,502.23** |
| **Total NGEU Only** | | | **278.36** | **259.65** | **18.71** | **6.72%** | **6,427.27** | **6,445.98** | **19,537.13** |
| **Total for DG REGIO** | | | **53711.08212** | **4,221.47** | **49,489.61** | **92.14 %** | **80,479.36** | **129,968.97** | **116,786.87** |

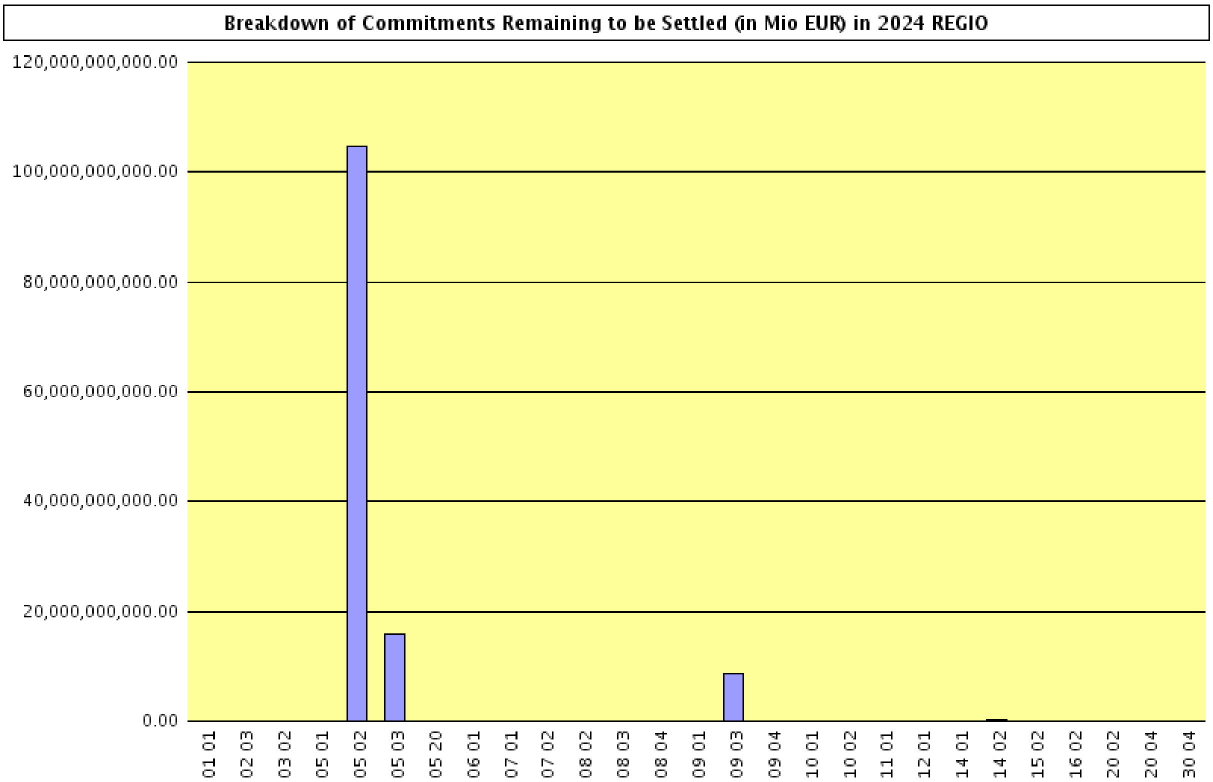

Breakdown of Commitments Remaining to be Settled (in Mio EUR) in 2024 REGIO
120,000,000,000.00
100,000,000,000.00
80,000,000,000.00
60,000,000,000.00
40,000,000,000.00
20,000,000,000.00
0.00
01 01
02 03
03 02
05 01
05 02
05 03
05 20
06 01
07 01
07 02
08 02
08 03
08 04
09 01
09 03
09 04
10 01
10 02
11 01
12 01
14 01
14 02
15 02
16 02
20 02
20 04
30 04

**TABLE 4: BALANCE SHEET for DG REGIO**

| BALANCE SHEET | 2024 | 2023 |
|---|---|---|
| A.I. NON CURRENT ASSETS | 16,575,364,999.69 | 9,865,530,797.12 |
| A.I.1. Intangible Assets | 16,160,696.82 | 14,382,387.69 |
| A.I.5. Non-Current Pre-Financing | 16,552,475,984.00 | 9,417,656,557.20 |
| A.I.6. Non-Cur Exch Receiv & Non-Ex Recoverab | 6,728,318.87 | 433,491,852.23 |
| A.II. CURRENT ASSETS | 3,210,427,804.26 | 14,459,324,690.57 |
| A.II.2. Current Pre-Financing | 2,864,006,948.70 | 14,015,744,404.29 |
| A.II.3. Curr Exch Receiv &Non-Ex Recoverables | 346,420,855.56 | 443,580,286.28 |
| **ASSETS** | **19,785,792,803.95** | **24,324,855,487.69** |
| P.II. CURRENT LIABILITIES | -7,026,844,119.60 | -16,419,329,768.97 |
| P.II.2. Current Provisions | 0.00 | |
| P.II.4. Current Payables | -3,841,483,812.84 | -5,338,592,693.04 |
| P.II.5. Current Accrued Charges &Defrd Income | -3,185,360,306.76 | -11,080,737,075.93 |
| **LIABILITIES** | **-7,026,844,119.60** | **-16,419,329,768.97** |
| | | |
| **NET ASSETS (ASSETS less LIABILITIES)** | **12,758,948,684.35** | **7,905,525,718.72** |

| | | |
|---|---|---|
| Non-allocated central (surplus)/deficit* | -451,642,645,373.48 | -393,062,485,681.06 |
| P.III.2. Accumulated Surplus/Deficit | 438,883,696,689.13 | 385,156,959,962.34 |
| **TOTAL DG REGIO** | **0.00** | **0.00** |

**TABLE 5 : STATEMENT OF FINANCIAL PERFORMANCE for DG REGIO**

| STATEMENT OF FINANCIAL PERFORMANCE | 2024 | 2023 |
|---|---|---|
| II.1 REVENUES | -79,881,719.18 | -310,864,362.65 |
| II.1.1. NON-EXCHANGE REVENUES | -87,531,196.79 | -316,862,694.44 |
| II.1.1.5. FINES | 0.00 | 0.00 |
| II.1.1.6. RECOVERY OF EXPENSES | 32,657,005.21 | -82,149,784.04 |
| II.1.1.8. OTHER NON-EXCHANGE REVENUES | -120,188,202.00 | -234,712,910.40 |
| II.1.2. EXCHANGE REVENUES | 7,649,477.61 | 5,998,331.79 |
| II.1.2.2. OTHER EXCHANGE REVENUE | 7,649,477.61 | 5,998,331.79 |
| II.2. EXPENSES | 29,884,658,115.16 | 54,037,601,089.44 |
| II.2. EXPENSES | 29,884,658,115.16 | 54,037,601,089.44 |
| II.2.11.OTHER EXPENSES | 11,378,054.37 | 10,874,372.03 |
| II.2.1. EXP IMPLEM BY MEMBER STATES (SHARED) | 29,422,892,925.07 | 53,846,842,927.66 |
| II.2.2. EXP IMPLEM BY COMMISS&EX.AGENC. (DM) | 54,469,915.70 | 50,664,708.39 |
| II.2.3. EXP IMPL BY OTH EU AGENC&BODIES (IM) | 231,560.00 | 270,581.31 |
| II.2.4. EXP IMPL BY 3RD CNTR & INT ORG (IM) | 219,874,647.47 | 24,756,905.40 |
| II.2.5. EXP IMPLEM BY OTHER ENTITIES (IM) | 175,856,812.57 | 104,300,312.47 |
| II.2.6. STAFF AND PENSION COSTS | -50,250.01 | -110,741.00 |
| II.2.8. FINANCE COSTS | 4,449.99 | 2,023.18 |

| | | |
|---|---|---|
| **STATEMENT OF FINANCIAL PERFORMANCE** | **29,804,776,395.98** | **53,726,736,726.79** |

**TABLE 5bis : OFF BALANCE SHEET for DG REGIO**

| **OFF BALANCE** | **2024** | **2023** |
|---|---|---|
| OB.1. Contingent Assets | 0.00 | 0.00 |
| GR for performance | | 0.00 |
| GR for pre-financing | 0.00 | 0.00 |
| OB.2. Contingent Liabilities | 0.00 | 0.00 |
| OB.2.5. CL legal cases COHESION | 0.00 | 0.00 |
| OB.2.7. CL Legal cases OTHER | 0.00 | 0.00 |
| OB.3. Other Significant Disclosures | -258,295,830,204.74 | -283,626,044,275.59 |
| OB.3.2. Comm against app. not yet consumed | -122,938,605,893.74 | -100,360,335,467.59 |
| OB.3.3.1 Structural operations | -135,357,224,311.00 | -182,764,179,859.00 |
| OB.3.3.65. BAR | 0.00 | 0.00 |
| OB.3.3.66. EUSF | 0.00 | -501,528,949.00 |
| OB.4. Balancing Accounts | 258,295,830,204.74 | 283,626,044,275.59 |
| OB.4. Balancing Accounts | 258,295,830,204.74 | 283,626,044,275.59 |
| **OFF BALANCE** | **0.00** | **0.00** |

## TABLE 6 : PAYMENT TIMES

**Legal Times**

| Maximum Payment Time (Days) | Total Nbr of Payments | Nbr of Payments within Time Limit | Percentage | Average Payment Times (Days) | Nbr of Late Payments | Percentage | Average Payment Times (Days) | Late Payments Amount | Percentage |
|---|---|---|---|---|---|---|---|---|---|
| 30 | 1,211 | 1,200 | 99.09 % | 14.98 | 11 | 0.91 % | 46.91 | 1,777,331.88 | 1. % |
| 60 | 1,608 | 1,588 | 98.76 % | 26.03 | 20 | 1.24 % | 354.45 | 180,667,459.25 | 1. % |
| 90 | 23 | 23 | 100.00 % | 50.57 | | | | 0.00 | 0. % |
| 180 | 417 | 417 | 100.00 % | 17.70 | | | | 0.00 | 0. % |
| 195 | 1 | 1 | 100.00 % | 29.00 | | | | 0.00 | 0. % |
| 200 | 1 | 1 | 100.00 % | 16.00 | | | | 0.00 | 0. % |
| 213 | 1 | 1 | 100.00 % | 30.00 | | | | 0.00 | 0. % |

| | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| **Total Number of Payments** | **3,262** | **3,231** | **99.05 %** | | **31** | **0.95 %** | | **182444791.1** | **0. %** |
| **Average Net Payment Time** | **23.1578786** | | | **21.03** | | | **245.32** | | |
| **Average Gross Payment Time** | **48.01440834** | | | **45.333333** | | | **327.4516** | | |

**Suspensions**

| Average Report Approval Suspension Days | Average Payment Suspension Days | Number of Suspended Payments | % of Total Number | Total Number of Payments | Amount of Suspended Payments | % of Total Amount | Total Paid Amount |
|---|---|---|---|---|---|---|---|
| 0 | 57 | 1,429 | 43.81 % | 3,262 | 28422175268.06 | 75.00 % | 37897007304.32 |

| Late Interest paid in 2024 | | | |
|---|---|---|---|
| **DG** | **GL Account** | **Description** | **Amount (Eur)** |
| REGIO | 65010100 | Interest  on late payment of charges New FR | 4,449.99 |
| | | | **4,449.99** |

| TABLE 7 : SITUATION ON REVENUE AND INCOME in 2024 for DG REGIO | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| Chapter | | Revenue and income recognized | | | Revenue and income cashed from | | | Outstanding balance |
| | | Current year RO | Carried over RO | Total | Current Year RO | Carried over RO | Total | |
| | | 1 | 2 | 3=1+2 | 4 | 5 | 6=4+5 | 7=3-6 |
| 61 | Cohesion, resilience and values | 5,818,470,961.56 | 200,626.88 | 5,818,671,588.44 | 5,818,237,931.02 | 200,626.88 | 5,818,438,557.90 | 233,030.54 |
| 62 | Natural resources and environment | 154,474,444.32 | 0.00 | 154,474,444.32 | 154,474,444.32 | 0.00 | 154,474,444.32 | 0.00 |
| 62 | Neighbourhood and the world | 2,962,765.47 | 0.00 | 2,962,765.47 | 2962765.47 | 0.00 | 2,962,765.47 | 0.00 |
| 66 | Other Contributions and refunds | 120,462,786.46 | 7,780.97 | 120,470,567.43 | 120,462,786.46 | 7,780.97 | 120,470,567.43 | 0.00 |
| **Total DG REGIO** | | **6,096,370,957.81** | **208,407.85** | **6,096,579,365.66** | **6,096,137,927.27** | **208,407.85** | **6,096,346,335.12** | **233,030.54** |

## ABLE 8 : FINANCIAL IMPACT OF EX-ANTE AND EX-POST CONTROLS in 2024for DG REGIO

| EX-ANTE CONTROLS BY TRANSACTION | Irregularity | OLAF notified | Total ex-ante amounts |
|---|---|---|---|
| NON ELIGIBLE IN COST CLAIMS | 35,939.37 | | **35,939.37** |
| CREDIT NOTES | | | |
| RECOVERY ORDERS ON PRE-FINANCING | | | |
| **Sub-Total** | **35,939.37** | | **35,939.37** |

| EX-POST CONTROLS BY TRANSACTION | Irregularity | OLAF notified | Total ex-post amounts |
|---|---|---|---|
| RECOVERY ORDERS OTHER THAN ON PRE-FINANCING | 25,085,444.18 | 448,381.74 | **25,533,825.92** |
| INCOME LINES IN INVOICES | | | |
| **Sub-Total** | 25,085,444.18 | 448,381.74 | **25,533,825.92** |
| | | | |
| **GRAND TOTAL (EX-ANTE + EX-POST)** | **25,121,383.55** | **448,381.74** | **25,569,765.29** |

| TABLE 9: AGEING BALANCE OF RECOVERY ORDERS AT 12/31/2024 for DG REGIO | | | | | | |
|---|---|---|---|---|---|---|
| | **Number at 1/1/2024 1** | **Number at 12/31/2024** | **Evolution** | **Open Amount (Eur) at 1/1/2024 1** | **Open Amount (Eur) at 12/31/2024** | **Evolution** |
| 2023 | 4 | | -100.00 % | 208,407.85 | | -100.00 % |
| 2024 | | 1 | | | 233,030.54 | |
| | **4** | **1** | **-75.00 %** | **208,407.85** | **233,030.54** | **11.81 %** |

**TABLE 10: Recovery Order Waivers >= 60 000 € in 2024 for DG REGIO**
**There are no waivers below 60 000 €.**

**TABLE 11: Negotiated Procedures in 2024 for DG REGIO**
**The procedures are presented in the Annual Management and Performance Report 2024**

**TABLE 12: Summary of Procedures in 2024 for DG REGIO**
**The procedures are presented in the Annual Management and Performance Report 2024**

**TABLE 13 (Building contracts), TABLE 14 (Secret Contracts), TABLE 15 (FPA duration exceeds 4 years) and TABLE 16 (Commitments co-delegation type 3): no cases to report for REGIO.**

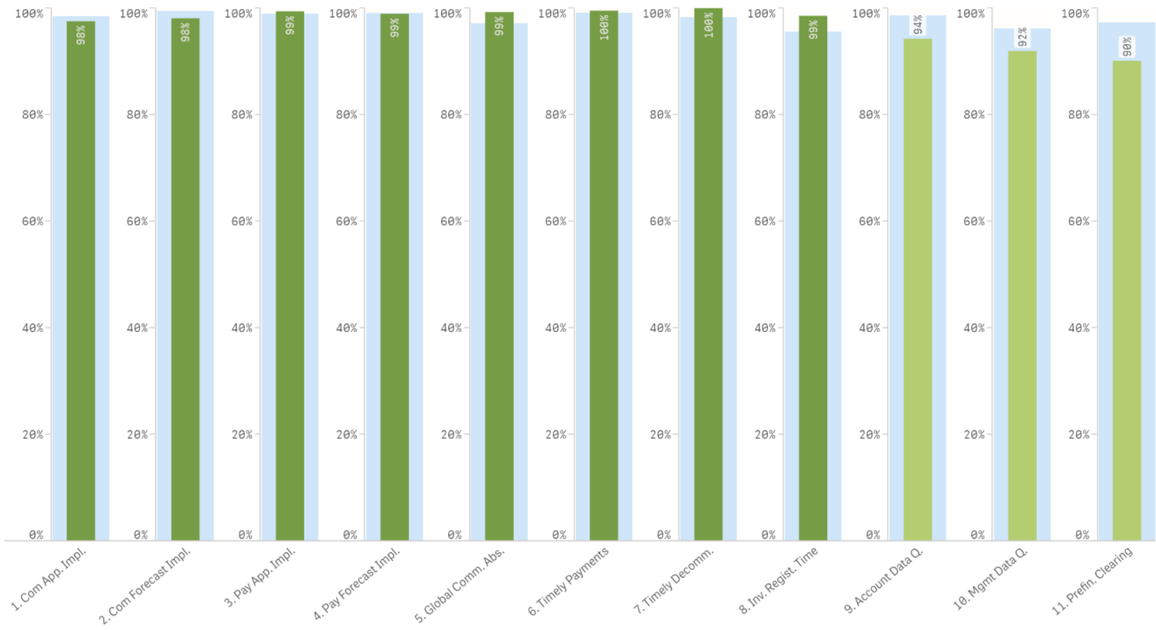
# ANNEX 4: Financial scorecard

REGIO manages funds under several management modes:

| Management mode | Payments in 2023 (million EUR) | % of Payments |
|---|---|---|
| Shared management | 40,096.79 | 98.39% |
| Indirect management | 575.70 | 1.41% |
| Direct management | 80.70 | 0.20% |

Standard financial indicators comparing REGIO with the Commission as a whole.

REGIO Indicator Scores for 2024 12




*For each indicator the light blue bar denotes the EC Score.*

| Indicator | Objective | Comment | REGIO Score | EC Score |
|---|---|---|---|---|
| 1. Commitment Appropriations Implementation | Ensure efficient use of commitment appropriations expiring at the end of Financial Year | | 98% | 99% |
| 2. Commitment Forecast Implementation | Ensure the cumulative alignment of the commitment implementation with the commitment forecast in a financial year | | 98% | 99% |
| 3. Payment Appropriations Implementation | Ensure efficient use of payment appropriations expiring at the end of Financial Year | | 99% | 99% |
| 4. Payment Forecast Implementation | Ensure the cumulative alignment of the payment | | 99% | 99% |

| | | | | |
|---|---|---|---|---|
| | implementation with the payment forecast in a financial year | | | |
| 5. Global Commitment Absorption [17] | Ensure efficient use of already earmarked commitment appropriations (at L1 level) | | 99% | 97% |
| 6. Timely Payments | Ensure efficient processing of payments within the legal deadlines | 3,262 payments were made in 2024.<br>For the amounts of the payments by management mode, see the table in the main part of the report.<br>The score was improved over 2023 by adjusting internal processing deadlines to better match the overall target. Monitoring will be continued into 2025. | 100% | 99% |
| 7. Timely Decommitments | Ensure efficient decommitment of outstanding RAL at the end of commitment life cycle | | 100% | 98% |
| 8. Invoice Registration Time | Monitor the accounting risk stemming from late registration of invoices in the central accounting system ABAC | | 99% | 96% |
| 9. Accounting Data Quality | Ensure the good data quality of ABAC transactions with the focus on fields having a primary impact on the accounts | | 94% | 99% |
| 10. Management Data Quality | Ensure the good data quality of ABAC transactions with the focus on fields having a primary impact on the management decisions | | 92% | 96% |
| 11. Timely Invoice PF clearing | Ensure efficient clearing by invoices of prefinancing payments within the invoice payment time limit | | 90% | 100% |

(17) Due to technical limitation: 1. the indicator does not take into account the Com L1 Consumption between the FDC ILC date and the FA FDI allowed as an exception in the external actions for Com L1 of type GF, i.e. with Financing Agreement, under the FR2018 Article 114.2. 2. it is technically not possible to exclude the decommitment of RAL (C8) which is subsequently re-committed for a new purpose. As a result, the actual Indicator score may be slightly higher than the one reported for DGs using the GF commitments.

# ANNEX 5: Materiality criteria

## 1. FOR SHARED MANAGEMENT (ERDF/CF/IPA-CBC/ENI-CBC)

### A. Assessment of management and control systems in the Member States for the 2014-2020 and 2021-2027 period

The assessment **of each programme is based on the following elements:**

First, the **assessment of the effectiveness of management and control systems,** carried out by the Joint Audit Directorate for cohesion (DAC) based on all information available (i.e. opinion issued by the audit authorities on the management and control systems in the MS, total error rates, results of national systems audits, results of the Commission's audit work and of the European Court of Auditors, information received from operational managers in their regular contacts with programme authorities).

Second, the **assessment of legality and regularity of expenditure**, as reflected in the residual total error rates reported by the audit authorities in their most recent ACRs, adjusted as necessary when we consider that adjustments to previous years' error rates could impact the most recently reported rates. The residual total error rate is the best indicator of the corrective capacity of the programme's management and control system and represents the remaining risk present in the amounts certified in the accounts taking into account the already applied financial corrections.

The DG assesses the reliability of the reported total error rate and residual total error rate in two stages:

1. The DG confirms the Total Error Rates and Residual Total Error Rates for the **accounting year 2022-2023** (for accounts accepted in 2024) and adjusts when considered necessary, based on all available audit information:

   - a desk review of the assurance packages, national system audit reports submitted by the audit authorities,
   - conclusions of risk-based on-the-spot audits by DAC,
   - results of ECA audits,
   - relevant results of audits by other DGs.

   According to the 2014-2020 and 2021-2027 legal framework, the Commission can continue to carry out on-the-spot audits to target specific risks or programmes in subsequent years (during the documents retention period of at least three years after the accounts were accepted). The confirmed error rates are thus determined after carrying out the entire audit cycle, but before the end of the contradictory procedure with Member States and can still evolve afterwards. These error rates are thus not always final and might be further adjusted downwards after the contradictory procedure.

2. In relation to the Total Error Rates and Residual (Total) Error Rates communicated by the audit authorities by 1 March 2025, the DG carries out a preliminary review to identify potential inconsistencies or clerical mistakes. Based on audit findings from previous accounting years, the DG also adjusts the latest error rates if it estimates that they may be

impacted by audit findings from previous accounting years. The resulting adjusted total error rates and residual total error rates are disclosed in Annexes 7E (2014-2020) and 7N (2021-2027) of the AAR. If no error rates are reported by the audit authorities or reported error rates are not considered reliable at this stage, the DG uses flat rates instead.

## B. Materiality criteria

The DG assesses **each programme** or group of programmes with common management and control systems to identify the need for reservations and corrective measures.

At programme level, reservations or partial reservations are made in case of significant weaknesses in the Member States' management and control systems leading to a material risk to the EU budget. In practice, this means that reservations or partial reservations are made for (parts of) programmes included in the categories 'limited assurance with medium risk' (when insufficient financial corrections are taken) and 'limited assurance with high risk' (see below).

As a general rule, a programme will be put under reservation if **at least one of the following conditions applies, based on the 2023/2024 assurance packages received by 1 March 2025 and for which the error rates have not been confirmed yet**:

- a total error rate above 10% (2014-2020)/ 5% (2021-2027);
- deficiencies in key elements of the systems (or part of the system), which could result in irregularities above 10% (2014-2020)/ 5% (2021-2027) and for which no adequate corrective measures to remedy the deficiencies have yet been implemented.
- a residual (total) error rate above 2%.
- material issues concerning the completeness, accuracy, and veracity of the accounts.

Exceptions, if any, are clearly reported and explained in the AAR. In some cases, reservations may be made at sub-programme level (priority axis or intermediate bodies) when the systemic deficiencies only affect a specific component of the management and control system, not applicable to the other activities under the same programme ([18]).

In case there is no financial impact for the reporting year (e.g. no expenditure paid) for a programme under reservation, a non-quantified reservation is made.

In addition, reputational reservations are made for deficiencies of a qualitative nature which have a significant impact on the reputation of the Commission (e.g. fraud suspicions).

### Programmes not in reservation

- Programmes with management and control systems which work well and for which only minor improvements are needed (category 1 ([19]). For these programmes, **reasonable**

([18]) However, when the concerned part of the programme concerns less than 2% of the expenditure included in the accounts under assessment (or of the programme allocation, in case no payments were made in the year), this deficiency is not considered to be material and, therefore, does not warrant a reservation. Such cases are disclosed in the AAR.

([19]) Table 2 on the classification of key requirements for managing control systems with regards to their functioning of Annex IV of Commission Delegated Regulation (EU) No 480/2014 of 3 March 2014.
Annex XI on Key requirements of management and control systems and their classification – Article 69(1) of Regulation (EU) 2021/1060 of 24 June 2021 (CPR).

**assurance** means that there is no material deficiency affecting key elements of the systems (non-material risk of irregularities, below 2%) and residual (total) error rate well below 2%.

- Programmes with management and control systems which work but need some improvements (category 2). For these programmes, **reasonable assurance with low risk** means that the deficiencies detected in key elements of the systems have limited impact on the EU Budget (limited risk of irregularities, below 5%, therefore covered by the payment retention of 10% (2014-2020) or 5% (2021-2027) and residual (total) error rate below or equal to 2%);
- Programmes with management and control systems which work only partially and need substantial improvements (category 3). For these programmes, **limited assurance with medium risk** means that the deficiencies detected in key elements of systems have material risk for the EU budget (risk of irregularities between 5% and 10%, therefore well covered by the payment retention of 10% for 2014-2020) but adequate financial corrections have been implemented (residual (total) error rate below or equal to 2%).

### Programmes in reservation

- Programmes which essentially do not work (category 4). For these programmes, **limited assurance with high risk** means that there are serious deficiencies in key elements of the systems with material risk for the EU budget (risk of irregularities above 10% for 2014-2020 and above 5% for 2021-2027, and thus not covered by the payment retention), even if adequate financial corrections have been implemented (residual (total) error rate below or equal to 2%).
- Programmes for which insufficient financial corrections were carried out (residual (total) error rate above 2%).
- Programmes with material issues concerning the completeness, accuracy and veracity of the accounts.

For the calculation of the amounts impacted by a reservation, the reportable residual (total) error rate for the 2023-2024 accounts is applied to the 2023 relevant expenditure of the programmes concerned.

## C. Estimation of the amounts at risk at payment and at closure for 2014-2020 and 2021-2027

The **amount at risk at payment** is calculated by applying the weighted residual (total) error rate of the accounting year 2022-2023 as confirmed by the DG ([20]) to the "relevant expenditure" of the reporting year (i.e. payments made during 2024, after excluding new pre-financing and including the 10% or 5% retained for 2014-2020 and 2021-2027 respectively, and including the cleared pre-financing minus the retentions released and any deductions applied in the accounts covering the expenditure of the period 1 July 2023 to 30 June 2024*)*.

For programmes under the programming period 2021-2027, for which no confirmed residual error rates are available yet, the following approach is exceptionally applied:

([20]) After neutralising the impact of the advances paid into financial instruments and included in the sample of audit authorities based on declared expenditure.

- In case of assurance packages received by 1 March 2025, the residual error rate of the accounting year 2023-2024 is used, provided it is considered reliable, following the preliminary desk review. Otherwise, a flat rate of maximum 5% is used.
- In case no assurance package is received (no payments made during the first half of 2024), the programmes concerned will be assessed individually based on all available information, including from a similar programme from programming period 2014-2020. If no audit evidence is available, prudently, a flat rate of 2% is used.

The **amount at risk at closure** indicates the remaining risk to the 2024 relevant expenditure, once the Commission will apply the necessary financial corrections to bring the confirmed total residual error rates for all programmes to 2% or below. The DG will be able to identify for which programmes additional financial corrections will be required upon finalisation of the audit contradictory procedures.

**Estimation of the amounts at risk at payment and at closure for 2007-2013** The residual risk rate is applied to the payments made during the year. For the estimation of the amount at risk at closure, the estimated future corrections, if any, are deducted from the amount at risk at payment.

## 2. FOR DIRECT AND INDIRECT MANAGEMENT

The DG issues a reservation when the error rate calculated based on the results of risk-based ex-post checks is higher than the standard quantitative materiality threshold of 2%. Even if the error rate is under this threshold, the DG may still issue a reservation on qualitative grounds. The qualitative factors are based on the detection of significant and/or repetitive weaknesses which would be identified through the internal control system within the framework of supervision.

Since 2019 ([21]), a corporate 'de minimis' threshold for financial reservations is in place. Quantified AAR reservations related to residual error rates above the 2% materiality threshold are deemed not substantial for segments representing less than 5% of a DG's total payments and with a financial impact below EUR 5 million. In such cases, quantified reservations are no longer needed. The implementation of this threshold applies at the level of the AAR reservations, i.e., not at all affecting the detailed reservations at the level of the operational programmes. Given the amounts involved, this threshold has no effect on the AAR reservations of the DG for 2024.

([21]) Agreement of the Corporate Management Board of 30/4/2019.

# ANNEX 6: Relevant Control System(s) for budget implementation (RCSs)

## Shared Management

REGIO distinguishes three main stages in the implementation of its budget under shared/decentralised management modes: (1) Negotiation and assessment/approval of spending proposals; (2) Implementation of operations (Member States): and (3) Monitoring and supervision of the execution, including ex-post control. 98.4% of all REGIO expenditure is channelled through this management mode. ([22])

The 2024 overall annual cost of controls for REGIO is estimated at 0.27% (EUR 111 million) of total payments. Refer to the main text (Section 2) for more details on the cost of controls.

The tables below elaborate, per stage, on the main risks identified and related benefits. This applies to the 2014-2020 and the 2021-2027 periods, unless stated otherwise.

Stage 1 – Negotiation and assessment/approval of spending proposals (ex ante):

Main control objectives: Ensuring that the Commission (COM) adopts the actions that contribute the most towards the achievement of the policy objectives (effectiveness);

| Main risks | Mitigating controls | Coverage frequency and depth | Cost-Effectiveness indicators |
|---|---|---|---|
| The programmes financed do not adequately reflect the policy objectives or priorities. | Internal consultation, validation at DG-level of each programme.<br>Inter-service consultation (including all relevant DGs)<br>Adoption by Commission Decision, where foreseen by EU law. | Coverage / Frequency: 100%.<br>Depth: checklist, guidelines, lists of requirements in the relevant regulatory provisions and reflection of policy objectives and priorities in position papers and Country Specific Recommendations. | **Overall Commission cost:** see AAR section Cost effectiveness and efficiency.<br>**Benefits:** adopted programmes focus on challenges Member States and regions are facing (as identified in the European Semester) and have a clear intervention logic, allowing the Commission to evaluate their impact [non-quantifiable individually]<br>**Effectiveness:**<br>- % of programmes adopted/approved<br>**Efficiency:**<br>- average time to adopt/approve a programme (impacted by the time required by Member States to react). |

Stage 2 – Implementation of operations (Member States):

### A. Setting up of the systems

Main control objectives: ensuring that the management and control systems are adequately designed.

| Main risks | Mitigating controls | Coverage, frequency and depth | Cost-Effectiveness indicators |
|---|---|---|---|
| The process of designation ([23]) of national authorities in the Member States is not effective and, as a result, the management and | Supervision by Commission (for 2014-2020):<br>- Commission review (and audits) of a sample of national designations<br>- submission of Member | Coverage / Frequency: fixed in sector-specific rules<br>Depth: verification (desk review + audit missions where necessary) of description of management and control systems communicated by | **Overall Commission cost:** see AAR section Cost effectiveness and efficiency.<br>**Benefits:** (part of) the amounts associated with unreliable systems for which the Commission audit work revealed substantial compliance problems [*not quantifiable*] |

([22]) For direct and indirect management see explanation in section REGIO IN BRIEF (page 3).
([23]) Designation process is not required in 2021-2027 programming period.

| | | | |
|---|---|---|---|
| control systems are not compliant with the applicable rules. | States' Audit Strategies to the Commission (on request) | Member States. | **Effectiveness:**<br>- % of authorities designated.<br>**Efficiency:**<br>- number of authorities for which serious weaknesses found by designation reviews/audits (% of total checked). |

## B. Member States controls to prevent, detect and correct errors within the declared certified expenditure

Main control objectives: ensuring that the expenditure declared in the annual accounts submitted to the Commission is legal and regular.

| Main risks | Mitigating controls | Coverage, frequency, and depth | Cost-effectiveness indicators |
|---|---|---|---|
| Annual accounts submitted to the Commission include expenditure that is irregular or non-compliant with EU and/or national eligibility rules and legislation. | Management verifications: first level checks by Managing Authorities.<br>Certification of expenditure in the annual accounts (not applicable for 2021-2027), audit opinion and assurance declaration by the relevant authorities designated/accredited. | Coverage: fixed in sector-specific rules<br>Depth:<br>- management verifications: performance of first-level checks (administrative and on the spot controls).<br>- certification (not-applicable for 2021-2027): additional verification (desk checks and on the spot).<br>- audit opinion: system audits on the checks already carried out, where necessary with re-performance of on-the-spot checks; audits of operations (on a statistical basis) and audit of accounts. | **Effectiveness:** error rates as reported by the Member States., annual audit opinions (or certificate opinions) of the Member States, Member States' recoveries (if applicable)<br><br>**Efficiency:** time to lift interruption of payments |

## Stage 3 – Monitoring and supervision of the execution, including ex post control

Main control objectives: ensuring that the expenditure reimbursed from the EU budget is eligible and regular.

| Main risks | Mitigating controls | Coverage, frequency, and depth | Cost-effectiveness indicators |
|---|---|---|---|
| The management verifications and subsequent audits/controls by the Member States have failed to detect and correct ineligible costs or calculation errors.<br><br>The audit work carried out by the Audit/Certifying Authorities is not sufficient to obtain adequate assurance on the annual accounts.<br><br>The Commission services have failed to take appropriate measures to safeguard EU funds, based on the information it received. | Commission checks of periodic Member States' expenditure declarations.<br>Commission assessment of management and control systems in the Member States, in particular of work done and/or reported by the Audit Authorities, namely:<br>• assessment of Annual Control Reports / Annual Audit Opinion<br>• calculation of projected error rate<br>• estimation of a residual error rate (RER)<br>• assessment of systems audits reports from AA<br>• assessment of annual summaries (not applicable for 2021-2027)<br>• own Commission audits<br>• technical and bilateral meetings with Member States | Coverage: verification of information provided in the annual control reports and annual audit opinions.<br>Depth: desk checks and/or on-the-spot audits based on risk assessment; verification of the quality and reliability of the information based on Commission's own audit work; 'validation' and where necessary adjusting of error rates reported by Member States to calculate a residual error risk (RER);<br><br>*[at closure: where applicable scrutiny of closure report and closure opinion, if needed with audits on sample of programmes]* | **Effectiveness:**<br>- residual risk (EU and per Member State)<br>- number of programmes with a reported error rate assessed as reliable (unchanged or re-calculated)<br>- Number and amount of interruptions / suspensions of payments<br>- corrections made resulting from Commission audit work (decided and implemented)<br>- % of the expenditure for which the Commission can rely on the work of the AA (based on ACRs unchanged or adjusted exchange rates)<br>- weighted average error rate after Commission analysis (KPI5)<br>Benefits: errors prevented [unquantifiable], errors detected or corrected (amount of financial corrections); the impact of the Commission's adjustments made on the error rates reported by the Member States following its own audit work and the total amount of expenditure for which the Commission has assurance<br>**Efficiency:** |

| | | | |
|---|---|---|---|
| | Interruptions and suspensions of payments<br>• Financial corrections (implemented by MS resulting from Commission audit work) | | - overall cost of control/financial management of the Commission checks and assessment (% of total appropriations) – stages 1 to 3<br>- % of Commission payments on time<br>- % interruptions of payments notified to Member States within 2 months<br>- % suspensions of payments notified to Member States within 6 months<br>**Economy (costs):** cost of Commission staff checking Member States expenditure (financial circuits); estimation of cost of Commission staff involved in the assessment of management and control systems in Member States, including analysis of Annual Control Reports / Annual Audit Opinion, own audit work, and drafting of interruption/suspension/financial correction letters |

# ANNEX 7: Specific annexes related to “financial management”

## Annex 7A: Reports and documentation considered for the assessment of the DG’s functioning in view of the AOD’s assurance

Assurance is provided based on information on the efficiency and effectiveness of internal control systems and governance processes. REGIO management monitors the functioning of the internal control systems on a continuous basis and carries out an objective examination with internal and external auditors. The results are documented and reported to the Director-General.

The following reports / documentation have been considered:

- the annual reports by Authorising Officers by Sub-Delegation (AOSD);
- the reports on control results from managing and audit authorities in the Member States (assurance packages, annual control reports and audit opinions received by 15 February / 1 March) as well as the results of the Commission activities to supervise these authorities (the audit reports of the Joint audit Directorate for Cohesion, DAC, following (mainly risk-based) on-the-spot verifications and ex post supervision and controls through exhaustive desk reviews of all available audit results);
- the results of internal control and risk monitoring at DG level;
- the reports on recorded exceptions, non-compliance events and any cases of ‘confirmation of instructions’ (Article 92(3) of the FR);
- opinion, observations and recommendations reported by the Internal Audit Service;
- observations and recommendations reported by the European Court of Auditors (ECA);
- information received from the European Anti-Fraud Office (OLAF), including follow-up given by the authorising officers by sub-delegation to final case reports.

A systematic analysis of the available evidence provides sufficient guarantees as to the completeness and reliability of the information reported and results in the full coverage of the budget delegated to the Director-General of REGIO.

## Annex 7B: Financial Regulation: Additional reporting requirements resulting from the 2018 and 2024 revisions

**In line with the requirements of the Financial Regulation, REGIO reports for the year 2024:**

1. **No cases of any in-kind donation made to the Union, for the purposes of humanitarian aid, emergency support, civil protection or crisis management aid (FR art 25.3)**
2. **No cases of "confirmation of instructions" (FR art 92.3)**
3. **Two cases of financing not linked to costs (FR art 125.3)**
   Article 125.3 FR specifies that the authorising officer responsible shall report on FNLC in the AAR. In 2024, REGIO has adopted 2 FNLC schemes:
   2021AT16FFPR001: Support for Research & Development infrastructures
   2021CY16FFPR001: Support for strengthening Research and Innovation in Cyprus.
   By the end of 2024, REGIO had a total of 6 FNLC schemes adopted (cumulatively).
4. **No Financial Framework Partnerships >4 years (FR art 131.4)**
5. **No cases of flat-rates >7% for funding indirect costs (FR art 184.6)**
6. **No derogations from the principle of non-retroactivity pursuant to Article 196 of the Financial Regulation.**
7. **1 case of financial support to third parties >EUR 60 000 (FR art 207)**
   The related grant agreement is: 2023CE160AT160 Better cohesion through development of energy communities in the Western Balkans
8. **No case of non-financial donations provided in the form of services, supplies or works (FR art 244.3)**

# Annex 7C: Cost of control

**Overview of department 's estimated cost of controls at Commission (EC) level:**

## Table Y on the estimated "cost of controls" at Commission level

- Overview of REGIO's estimated cost of controls at Commission (EC) level

EXPENDITURE

The absolute values are presented in EUR

| REGIO | Ex ante controls*** | | | Ex post controls | | | Total | |
|---|---|---|---|---|---|---|---|---|
| | (a) | (b) | (c) | (d) | (e) | (f) | (g) | (h) |
| Relevant Control System (RCS) / Other as defined in Annex 6 of the AAR* | EC total costs | related payments Made | Ratio (%)** *(a)/(b)* | EC total costs | total value verified and/or audited | Ratio (%) *(d)/(e)* | EC total estimated cost of controls *(a)+(d)* | Ratio (%)** *(g)/(b)* |
| Shared Management | - € | 40,096,788,989.29 € | 0.00% | 102,865,589.53 € | - € | 0.00% | 102,865,589.53 € | 0.26% |
| Indirect Management | - € | 575,704,995.58 € | 0.00% | 3,248,067.77 € | - € | 0.00% | 3,248,067.77 € | 0.56% |
| Direct Management | - € | 80,696,889.73 € | 0.00% | 5,242,116.66 € | - € | 0.00% | 5,242,116.66 € | 6.50% |
| **OVERALL total estimated cost of control at EC level for expenditure** | **- €** | **40,753,190,874.60 €** | **0.00%** | **111,355,773.96 €** | **- €** | **0.00%** | **111,355,773.96 €** | **0.27%** |

*** Note: costs are related to all controls; REGIO is currently not splitting these costs between ex-ante and ex-post controls.

## ANNEX 7D: ERDF / CF programmes: brief introduction to shared management and architecture for building assurance

Cohesion policy funds are spent through a system of shared responsibility between the European Commission and national authorities:

- the Commission negotiates and approves programmes proposed by Member States;
- the Member States / regions manage the programmes, implement them and perform controls;
- the Commission is involved in programme monitoring, commits, pays out approved expenditure, and verifies the management and control systems and compliance with applicable law for underlying expenditure, based on EU and national audit results.

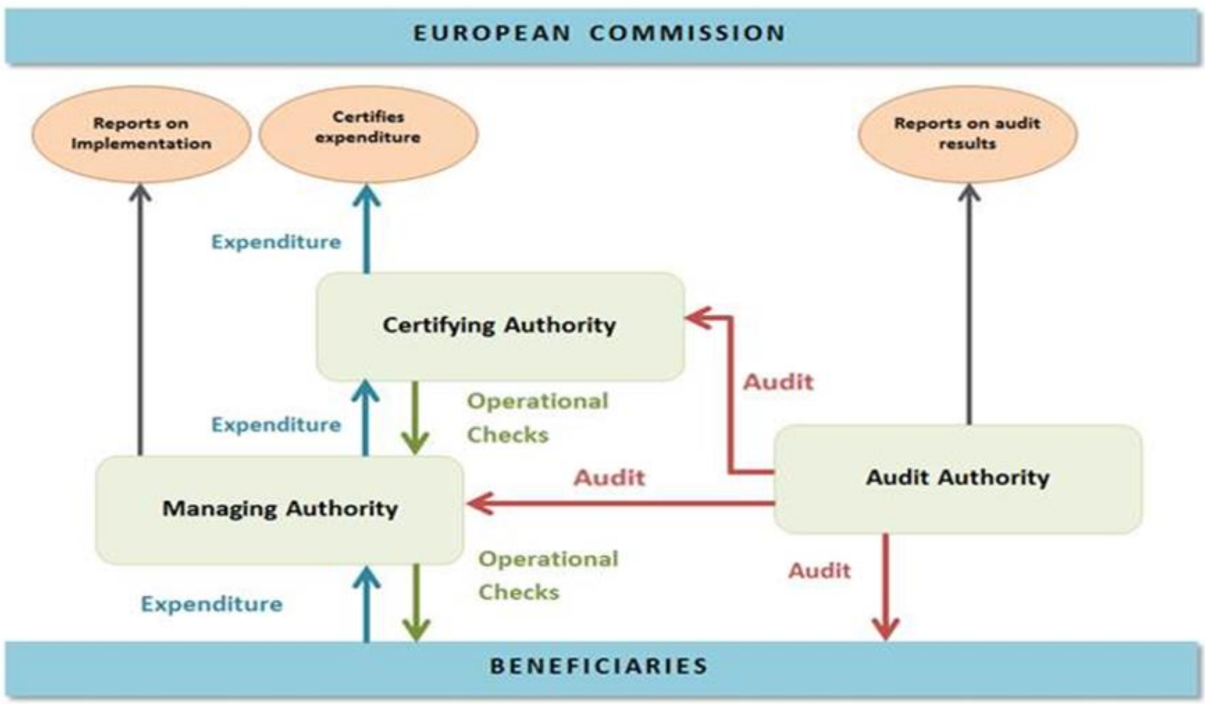
For each programme, the Member State appoints:

- a **managing authority (MA)** (national, regional or local public authority or public/private body to manage the programme) and **intermediate bodies**;
- (in the 2014-2020 programming period) a **certifying authority (CA)** (national, regional or local public authority or body to prepare payment applications and to certify the accounts to the Commission)**;** in the 2021-2027 programming period certifying authorities are replaced in the 2021-2027 programming period by an **accounting function** (carried out either directly by the managing authority or by an appointed body), in charge of drawing up and submitting payment applications and accounts to the Commission; the accounting function does not entail verifications at the level of beneficiaries (one of the simplification measures).
- an **audit authority (AA)** (national, regional or local public authority or body to oversee the efficient functioning of the management and control system, to carry out sample-based audits of operations (possibly with the help of control bodies) and to provide yearly professional, independent audit opinions to the Commission).

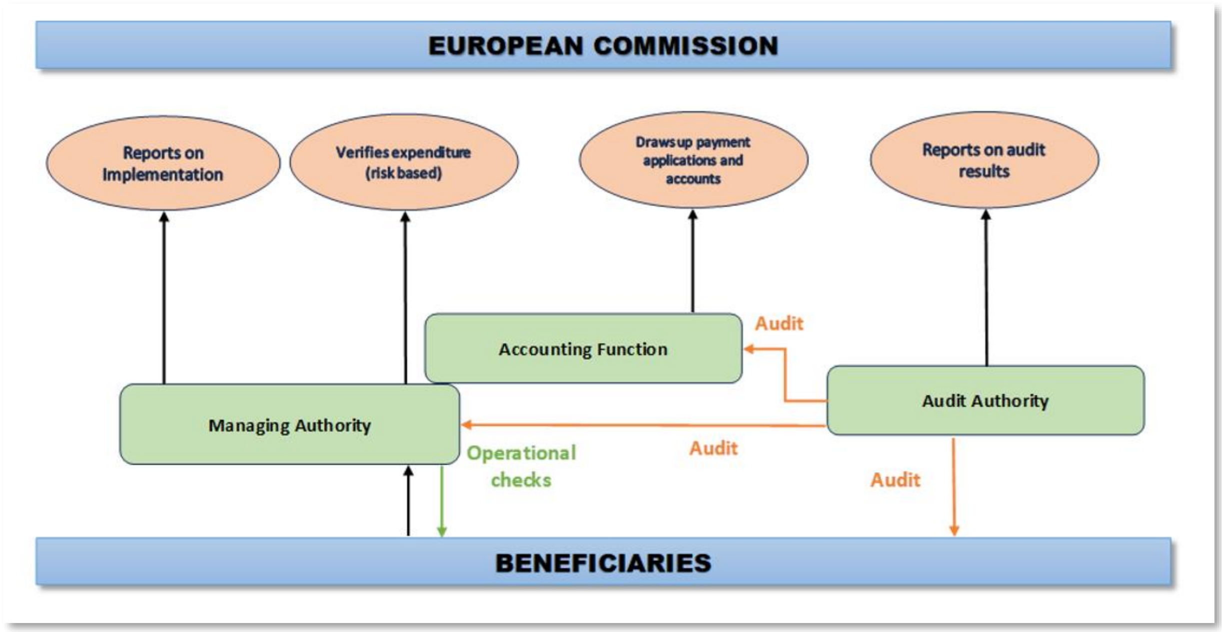
The Commission plays a supervisory role. It verifies the effective functioning of management and control systems and of the reliability of audit results reported, and if necessary, applies financial corrections and requires remedial actions from programme authorities to improve systems.

For both programming periods, the control system is built on several levels. Each level may rely on previous controls performed by other bodies after having performed its own verifications that those controls are effective (the single audit concept expanded in the 2021-2027 period to the controls between MAs/IBs and AAs).

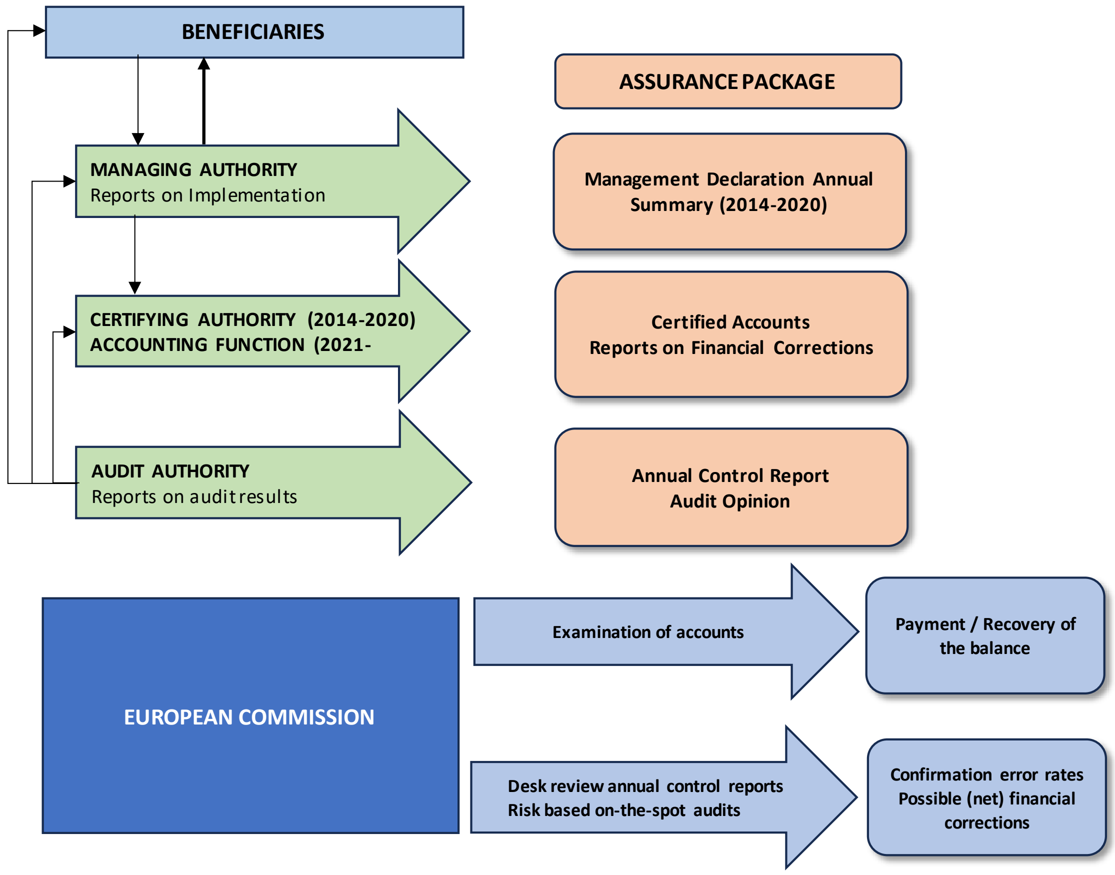
***Graph 1: Assurance architecture for shared management 2014-2020***




***Graph 2: Assurance architecture for shared management 2021-2027***



***Graph 3: Control system***




1. Member States are in the first instance responsible for setting up robust management and control systems aimed at preventing and detecting irregularities (including fraud) and reporting a reliable residual total error rate for each programme each year, whilst also applying financial corrections where necessary.

For each accounting year the following tasks are performed:

- During the accounting year (1 July N-1 to 30 June N)

The **managing authority/intermediate body** carries out verifications (risk based in 2021-2027) until the submission of the programme accounts. It verifies that the co-financed objectives have been achieved, that the expenditure declared by the beneficiaries has been incurred and paid and that it complies with the applicable law, the programme and the conditions for support of the operation.

Then, only in the 2014-2020 programming period, the **certifying authority** before submitting interim payment applications to the Commission, certifies that they result from reliable accounting systems, are based on verifiable supporting documents and have been subject to verifications by the managing authority.

For both programming periods the last interim payment application is submitted to the Commission by 31 July each year, following the end of the accounting year.

The **audit authority** carries out audits on the management and control systems (system audits), on the accounts, and on a representative sample of operations based on the declared expenditure to the Commission during the accounting year. it's the system audits and audits of operations are the basis of its audit opinion, submitted by 15 February each year (year N+1), following the end of the accounting year.

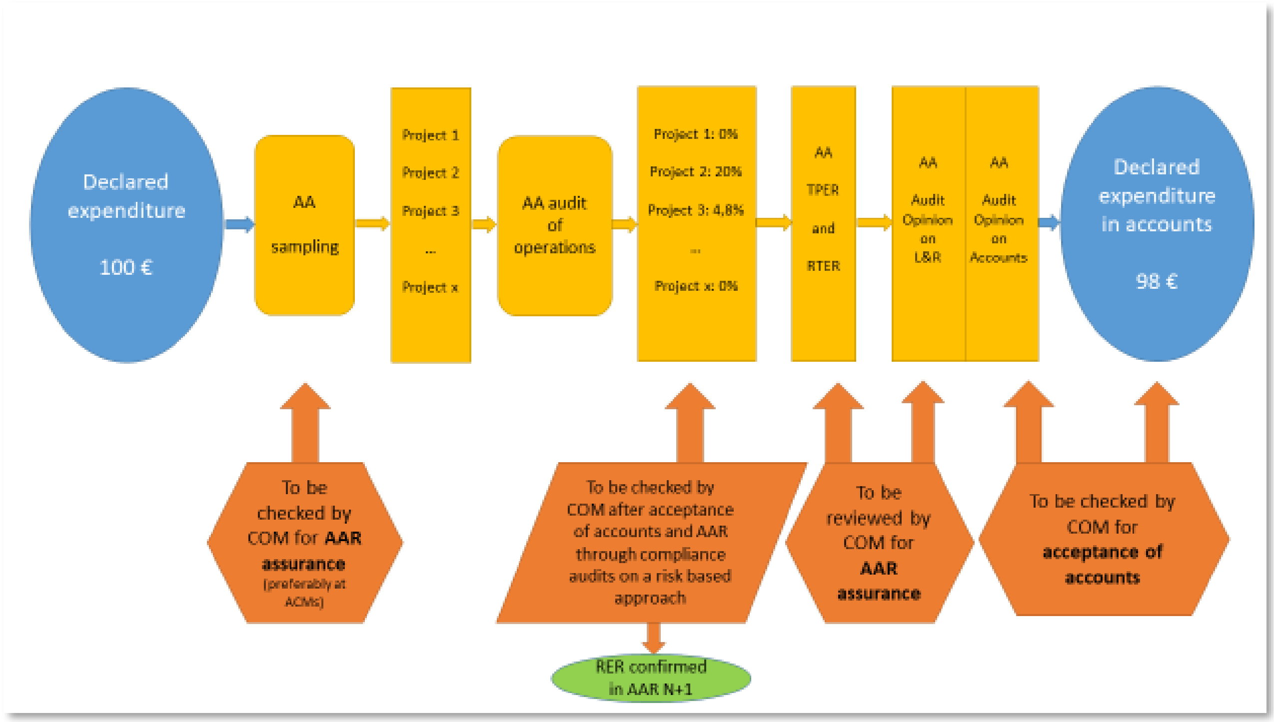
At the moment of the assurance package (15 February N+1)

The managing authority finalises the verifications to ensure that the expenditure to be certified in the accounts is legal and regular. It takes account of the findings of the audit authority and makes the necessary financial corrections including flat rates corrections, if necessary. It draws up the management declaration and annual summary.

The certifying authority/accounting function collates all interim claims in the accounts and excludes the irregular amounts (and those under ongoing assessment) detected in relation to the expenditure included in interim payment applications. It takes account of findings of the audit authority and satisfies itself that necessary financial corrections including flat rate corrections have been made. It provides in the accounts (submitted for each programme) explanations for the difference between the sum of interim payment applications and the accounts. It draws up the accounts certifying their completeness, accuracy and veracity and that the expenditure entered in the accounts complies with applicable law. The national authorities should ensure that the expenditure declared in the accounts does not contain any remaining material level of irregularity. When a material level of irregularities is identified in the accounts, as reported by the audit authority (for ex. because of an annual residual total error rate above 2%), the Commission may decide to interrupt the payment of the final annual balance. In the 2021-2027 programming period the accounts are not admissible if Member States have not undertaken the necessary corrections to reduce the residual total error rate of expenditure included in the accounts to 2% or below.

The audit authority finalises the system audits and the audits of operations. It informs the MA/CA of the final audit results for their follow-up and corrective measures. It prepares the annual control opinion and the annual audit opinion and calculates a total error rate and total residual error rate in the accounts, considering the financial corrections implemented by the MA/CA as a result of audits. In addition, it carries out final audit work on the accounts and assesses the consistency of the management declaration.

***Graph 4: Annual assurance package and audits of operations***




2. At Commission level, the assurance for the management and control system for each programme is based on a process of internal control and audit procedures carried out by the audit (DAC – Joint Audit Directorate for Cohesion), financial and operational units.

Through the **single audit approach**, each year the DAC critically reviews and assesses the audit work and opinions carried out by audit authorities for each programme, and complements the assurance process by its risk-based audits. The assessment of all available audit sources results in an Annual Audit Opinion of the DG for each programme. This forms the basis for management opinions by the Authorising Officers by Sub-Delegation.

The following audit sources are used based on the single audit approach and in line with the single audit strategy and risk-assessment in place:

- Audit authorities' work and results on both systems and operations, reported to REGIO throughout the year (systems audit reports) or at year end (annual control reports and audit opinions);
- DAC's desk and on-the-spot review of the work of audit authorities;
- DAC's on-the-spot system audits including at the level of operations where necessary;
- Relevant audit information received from other DGs (EMPL, MARE and possibly AGRI, HOME or ECFIN);
- Audits from the European Court of Auditors;
- OLAF and/or EPPO final reports.

Any other source of information, formal or informal, acquired by the geographical units in the context of their day-to-day management of the programmes are also contributing to the assurance process, for example:

- Annual Implementation Reports from the Member States;
- Monitoring committees and annual meetings;
- Contacts with regional and national programme managers.

This single audit approach is complemented by capacity building actions and thematic/targeted audits to ensure that no serious deficiencies remain undetected or uncorrected by the Member States when submitting the accounts, and that the Commission can rely on the assurance packages. The overall objective of the Single Audit Strategies is to obtain reasonable assurance that the management and control systems of the Member States:

- comply with requirements of the relevant EU Regulations; and
- are functioning effectively to prevent and detect errors and irregularities and to ensure the legality and regularity of the expenditure declared to the Commission so that no serious deficiency remains not detected, reported or corrected.

The objective is to ensure that the **residual risk of error for each programme**, estimated through the residual total error rate of the amounts certified in the year N-1 accounts (after the control cycle is completed at national level and the required financial corrections were implemented by the programme authorities), **is below the materiality level of 2% in the annual accounts.**

Following the reception of the assurance packages, the Commission auditors perform:

1. first a **desk review for the acceptance of accounts** and **thorough assessment** including a consistency check **of the reported total error rates and audit opinions** for the assurance declaration in the AAR. Moreover, fact finding audits can be performed to clarify issues stemming from the assessment of assurance packages (on time for the AAR).

2. followed (after finalisation of the AAR) by a **thorough risk analysis taking into account also the Annual Control Reports,** audit opinions and error rates reported and,

3. as a consequence of the risk analysis, for a number of programmes / audit authorities for which specific risks have been identified, **on-the-spot compliance audits** to re-perform the work done by the audit authorities. Furthermore, thematic audits are performed to address specific identified risky areas.

When deemed necessary, the Commission may impose **corrective actions.** This includes system improvements (through remedial action plans required from the concerned programme authorities) and financial corrections. Programme authorities have an interest to apply appropriate corrections in programme's annual accounts to be able to re-use such expenditure. When the Commission, through its desk review and on-the-spot compliance audits, still identifies further irregularities in the accepted accounts and concludes that the expenditure is irregular following the audit contradictory process and follow up:

- in the 2014-2020 programming period it launches a contradictory procedure that may end up in **financial correction procedures** (which shall be net if **serious deficiencies** in the management and control system of the Member State are identified by the Commission or the European Court of Auditors after the accounts were submitted, and which were not identified, reported and corrected by the Member State's authorities, if the strict conditions designed by the co-legislator under Article 145(7) of Regulation (EC) 1303/2013 are fulfilled);
- in the 2021-2027 programming period it applies net financial corrections (in all cases when

the expenditure contained in accepted accounts is irregular and was not detected and reported by the Member State), in line with the provisions of Article 104(1) of Regulation (EC) 1060/2021.

The DG has the legal tools to implement these additional corrections and uses them, if necessary, to eventually bring each concerned programme's residual risk below the 2% materiality threshold.

The adjusted reported error rates of the previous year (after implementation of the audit cycle and although the audit contradictory procedure may still be on-going) constitute the best indicator for the legality and regularity of the relevant expenditure reported in the AAR.

Calculation of residual total error rates, the risk at payment and residual total error rates and the maximum risk

The process for the confirmation of the residual total error rates and the calculation of the risk to the relevant expenditure in 2024 is performed as follows:

- The DG reports in this AAR its assessment of the reliability of residual total error rates reported for the **accounting year 2022-2023** (amounts certified and cleared in 2024). It confirms, where possible, individual rates per programme and the resulting average after the whole control process at national and Commission levels has been performed. This average residual total error rate for 2022-2023 accounts represents the most relevant key performance indicator of the overall residual risk for year 2024 to the underlying programmes expenditure. It is reported as **KPI 5 in the AAR** ([24]).
- Reported total and residual error rates for individual programmes are confirmed considering all available audit information, following the two-stage audit process (desk review and assessment / on spot audits) described above. This process may lead to a confirmation or a re-calculation of the programme's residual total error rate for the accounting year at stake.
- Where contradictory procedures for compliance audits are still ongoing at the moment of the adoption of this AAR, a prudent approach is taken when re-calculating the residual total error rates, i.e. using the most conservative results at that stage of the audit process; in some cases a flat rate is used. For the concerned programmes REGIO may still further adjust downwards the residual total error rates upon completion of the contradictory procedure with the Member State (after signature of the AAR).
- A similar approach is taken for ECA's preliminary results on the 2022-2023 assurance packages, pending the results of the on-going contradictory procedures.
- REGIO also aggregates programme residual error rates to report a total, weighted average residual error rate for ERDF/CF. This is the key performance indicator on legality and regularity (KPI 5) for the annual activity report.
- As a complement to KPI 5, REGIO is also estimating **a prudent maximum residual error rate** to take into account potential additional risks for some programmes, estimated at flat rate. The maximum risk takes into account potential additional risks, estimated using **flat rates** for each individual programme depending on their specific situation: to consider

([24]) Advances paid into financial instruments are included in the declared expenditure in line with Article 127 CPR form the basis for the samples of audit authorities. On this basis the confirmed residual total error rate is 2%, hence advance payments to financial instruments have a negligible impact on the confirmed residual error rate (0.1 percentage points).
In its recommendation n°2 a) in the 2016 Annual Report (paragraph 6.40) ECA also addresses State aid advances. In line with the Regulation, State aid advances may be partially cleared by expenditure during the accounting year. Given this inherent legal complexity for dealing with such advances in the error rate calculation, and the limited impact estimated in previous years, REGIO did not remove these advances in the KPI 5 calculation.

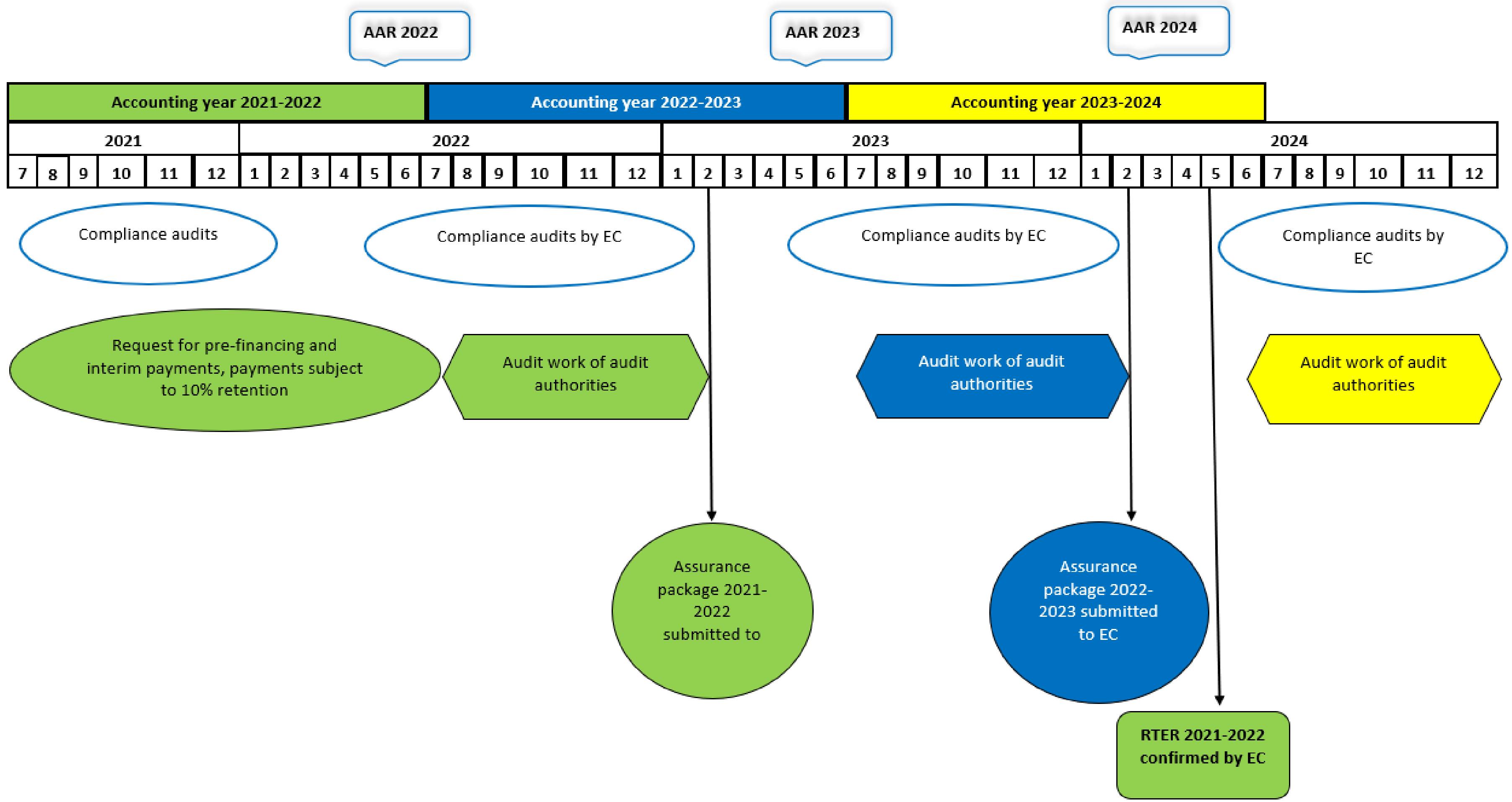
additional risks that may be present in the audit sample of the audit authority not covered by the Commission services' audits, as well as additional risks identified during the Commission services' desk reviews or during ECA audits but not yet communicated. For programmes not audited by the Commission services or by ECA but for which the audit authority was audited for another programme, the maximum risk is calculated based on the average increase of the error rate due to Commission or ECA audits for the audited programmes of the same audit authority in the last three years. This maximum residual error rate also prudently includes, for programmes only subject to a desk review and where no re-performance audit was carried out, flat rates to cover the risk of errors potentially undetected.

Reservations and preventive measures

The DG reviews all cumulative audit information available for each programme to identify the need for reservations in line with the materiality criteria disclosed in Annex 5, and additional corrective measures required to protect the EU budget. The legal framework (CPR) provides **safeguards for assurance**. The Commission applies a 10% (or 5% retention (respectively in 2014-2020 and 2021-2027) on all interim payments during the year, thus effectively protecting the EU budget until controls are completed at Member State level and annual programme accounts are accepted. For programmes where serious deficiencies persist at the moment of settling the accounts, and in situations where the balance would be positive, the payment of the balance is interrupted.

The graph below illustrates how REGIO assesses the declared expenditure:

*Graph 5: Assurance process covering different accounting years (July N to June N+1)*



## ANNEX 7E: 2014-2020 ERDF / CF programmes: Audit opinion and error rates

REGIO carries out systematic desk audit work to assess the situation for **each programme** and accounts accepted in the reporting year. It discloses in the AAR **individual** confirmed **error rates for each programme.** The confirmed error rates are based on the Member States' reporting in the annual control reports received and assessed by the joint audit directorate for Cohesion in 2024. **They are determined after carrying out the audit cycle, but not necessarily before the end of the contradictory procedure with Member States; this means that these error rates are thus not always final at the time of signature of this report and can still evolve after the contradictory procedure, possibly being further adjusted downwards.**

Moreover, for the sake of calculating the risk at payment in the current AAR (KPI 5), REGIO has used a prudent flat rate of 2% instead of the confirmed residual total error rate removing impact of advances to financial instruments, for all programmes reported in the below table (column (7)) with a rate confirmed below 2% in 2024 (to take account of the absence of more recent audit information for a large number of programmes under the STEP amendment to the CPR that allows to submit final assurance packages by 15 February 2026 instead of 1 March 2025).

| MS | Ref | Title | (1) MCS functioning effectively AAR 2023 (Y/N/NA*): Y=Cat. 1-2; N=Cat. 3-4 | (1) MCS functioning effectively AAR2024 (Y/N/NA*): Y=Cat. 1-2; N=Cat. 3-4 | Accounting year 2021-2022<br>**Confirmed error rates after EC's assessment** (desk review of all OPs and risk-based compliance audits) | Accounting year 2022-2023<br>**Confirmed error rates after EC's audit assessment** (desk review of all OPs and risk-based compliance audits) | | | Accounting year 2023-2024<br>**'Reportable' error rates** (reported by audit authorities and, where necessary, adjusted by EC following preliminary consistency checks) | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | (2) Total Error Rate | (3) Total Error Rate | (4) Residual Total Error Rate | (5) Residual Total Error Rate removing impact of advances to financial instruments | (6) Total Error Rate reportable by EC | (7) Residual Total Error Rate reportable by EC | (8) Relevant Expediture (€) |
| AT | 2014AT16RFOP001 | Investments in Growth and Employment Austria 2014-2020 - Operational | Y | Y | 0.05% | 2.11% | 0.89% | 0.89% | 0.00% | 0.00% | 121.012.819,60 € |

| MS | Ref | Title | (1) MCS functioning effectively AAR 2023 (Y/N/NA*): Y=Cat. 1-2; N=Cat. 3-4 | (1) MCS functioning effectively AAR2024 (Y/N/NA*): Y=Cat. 1-2; N=Cat. 3-4 | **Accounting year 2021-2022** **Confirmed error rates after EC's assessment** (desk review of all OPs and risk-based compliance audits) | **Accounting year 2022-2023** **Confirmed error rates after EC's audit assessment** (desk review of all OPs and risk-based compliance audits) | | | **Accounting year 2023-2024** **'Reportable' error rates** (reported by audit authorities and, where necessary, adjusted by EC following preliminary consistency checks) | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | (2) Total Error Rate | (3) Total Error Rate | (4) Residual Total Error Rate | (5) Residual Total Error Rate removing impact of advances to financial instruments | (6) Total Error Rate reportable by EC | (7) Residual Total Error Rate reportable by EC | (8) Relevant Expediture (€) |
| | | Programme for the use of the ERDF funds | | | | | | | | | |
| BE | 2014BE16RFOP001 | OP Brussels Capital Region | N | Y | 2.00% | 0.27% | 0.00% | - | 0.00% | 0.00% | 21.067.296,97 € |
| BE | 2014BE16RFOP002 | OP Flanders | Y | Y | 1.32% | 0.30% | 0.20% | 0.20% | 0.00% | 0.00% | 51.962.337,36 € |
| BE | 2014BE16RFOP003 | OP Wallonia | Y | Y | 0.28% | 2.26% | 1.44% | 1.56% | 0.00% | 0.00% | 165.635.494,70 € |
| BG | 2014BG05M2OP00 1 | Operational Programme Science and Education for Smart Growth | Y | Y | 1.37% | 0.13% | 0.07% | 0.07% | 0.00% | 0.00% | 37.632.329,72 € |
| BG | 2014BG16M1OP00 1 | Operational programme "Transport and transport infrastructure" | Y | Y | 1.08% | 2.23% | 0.00% | - | 0.00% | 0.00% | 344.488.749,20 € |
| BG | 2014BG16M1OP00 2 | Operational programme "Environment" | Y | Y | 3.56% | 2.67% | 2.00% | 2.00% | 0.00% | 0.00% | 282.057.642,30 € |
| BG | 2014BG16RFOP001 | Operational programme "Regions in Growth" | Y | Y | 1.23% | 1.84% | 0.87% | 1.31% | 0.00% | 0.00% | 309.839.184,30 € |
| BG | 2014BG16RFOP002 | Operational programme "Innovations and Competitiveness" | Y | Y | 1.82% | 1.78% | 0.76% | 0.76% | 0.00% | 0.00% | 31.447.953,56 € |
| CY | 2014CY16M1OP001 | Competitiveness and sustainable development | Y | Y | 0.31% | 0.17% | 0.00% | - | 0.00% | 0.00% | 11.130.923,35 € |
| CZ | 2014CZ05M2OP001 | OP Research, Development and Education | Y | Y | 0.00% | 0.29% | 0.29% | 0.29% | 0.00% | 0.00% | 31.888.944,35 € |
| CZ | 2014CZ16CFTA001 | Technical assistance | Y | Y | 0.08% | 0.32% | 0.23% | 0.23% | 0.20% | 0.18% | 5.724.073,35 € |
| CZ | 2014CZ16M1OP001 | Transport | Y | Y | 0.01% | 0.02% | 0.01% | 0.01% | 0.02% | 0.01% | 116.819.661,70 € |
| CZ | 2014CZ16M1OP002 | Environment | Y | Y | 3.16% | 1.08% | 0.95% | 0.95% | 0.00% | 0.00% | 125.000.197,50 € |
| CZ | 2014CZ16M2OP001 | OP Prague – Growth Pole | Y | Y | 0.26% | 0.00% | 0.00% | - | 0.00% | 0.00% | 4.292.369,46 € |
| CZ | 2014CZ16RFOP001 | Enterprise and Innovation for Competitiveness | N | Y | 4.64% | 1.00% | 0.93% | 0.93% | 0.00% | 0.00% | 186.641.179,70 € |

| MS | Ref | Title | (1) MCS functioning effectively AAR 2023 (Y/N/NA*): Y=Cat. 1-2; N=Cat. 3-4 | (1) MCS functioning effectively AAR2024 (Y/N/NA*): Y=Cat. 1-2; N=Cat. 3-4 | Accounting year 2021-2022 | Accounting year 2022-2023 | | | Accounting year 2023-2024 | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
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| CZ | 2014CZ16RFOP002 | Integrated Regional Operational Programme | Y | Y | 0.73% | 1.36% | 1.23% | 1.23% | 0.00% | 0.00% | 388.762.860,10 € |
| DE | 2014DE16M2OP001 | OP Niedersachsen ERDF/ESF 2014-2020 | Y | Y | 1.40% | 2.37% | 1.35% | 1.37% | 0.00% | 0.00% | 183.485.280,80 € |
| DE | 2014DE16RFOP001 | OP Baden-Württemberg ERDF 2014-2020 | Y | Y | 0.07% | 0.10% | 0.09% | 0.09% | 0.16% | 0.15% | 56.573.067,54 € |
| DE | 2014DE16RFOP002 | OP Bayern ERDF 2014-2020 | Y | Y | 0.52% | 0.57% | 0.44% | 0.48% | 0.48% | 0.45% | 106.488.971,00 € |
| DE | 2014DE16RFOP003 | OP Berlin ERDF 2014-2020 | Y | Y | 0.84% | 1.25% | 0.72% | 0.83% | 0.00% | 0.00% | 53.935.940,34 € |
| DE | 2014DE16RFOP004 | OP Brandenburg ERDF 2014-2020 | N | Y | 8.47% | 10.00% | 10.00% | 10.00% | 0.00% | 0.00% | 249.037.236,40 € |
| DE | 2014DE16RFOP005 | OP Bremen ERDF 2014-2020 | Y | Y | 0.90% | 3.50% | 0.65% | 0.74% | 0.00% | 0.00% | 35.961.061,31 € |
| DE | 2014DE16RFOP006 | OP Hamburg ERDF 2014-2020 | Y | Y | 0.12% | 0.02% | 0.00% | 0.02% | 0.00% | 0.00% | 18.661.854,30 € |
| DE | 2014DE16RFOP007 | OP Hessen ERDF 2014-2020 | Y | Y | 2.51% | 1.02% | 0.31% | 0.32% | 0.00% | 0.00% | 76.859.004,86 € |
| DE | 2014DE16RFOP008 | OP Mecklenburg-Vorpommern ERDF 2014-2020 | Y | Y | 0.07% | 3.70% | 3.69% | 3.83% | 0.00% | 0.00% | 33.391.121,84 € |
| DE | 2014DE16RFOP009 | OP Nordrhein-Westfalen ERDF 2014-2020 | Y | Y | 2.00% | 2.00% | 2.00% | 2.00% | 0.00% | 0.00% | 275.109.632,30 € |
| DE | 2014DE16RFOP010 | OP Rheinland-Pfalz ERDF 2014-2020 | Y | Y | 0.44% | 0.72% | 0.67% | 0.77% | 0.00% | 0.00% | 58.595.470,36 € |
| DE | 2014DE16RFOP011 | OP Saarland ERDF 2014-2020 | Y | Y | 0.00% | 4.05% | 2.00% | 4.50% | 0.00% | 0.00% | 46.953.926,81 € |
| DE | 2014DE16RFOP012 | OP Sachsen ERDF 2014-2020 | Y | Y | 3.40% | 5.00% | 5.00% | 5.00% | 0.00% | 0.00% | 684.461.444,30 € |
| DE | 2014DE16RFOP013 | OP Sachsen-Anhalt ERDF 2014-2020 | N | Y | 0.26% | 10.00% | 5.00% | 5.00% | 0.00% | 0.00% | 88.422.555,93 € |
| DE | 2014DE16RFOP014 | OP Schleswig-Holstein ERDF 2014-2020 | Y | Y | 0.56% | 1.79% | 1.52% | 1.57% | 0.00% | 0.00% | 38.729.530,32 € |
| DE | 2014DE16RFOP015 | OP Thüringen ERDF 2014-2020 | Y | Y | 0.66% | 3.96% | 2.00% | 2.04% | 0.00% | 0.00% | 275.923.300,50 € |

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| DK | 2014DK16RFOP001 | Innovation and Sustainable Growth in Businesses. National Programme for the European Regional Fund – 2014-2020 | Y | Y | 1.15% | 1.72% | 0.62% | 0.62% | 0.00% | 0.00% | 145.197.423,40 € |
| EE | 2014EE16M3OP001 | Operational Programme for Cohesion Policy Funding 2014-2020 | Y | Y | 1.12% | 3.02% | 2.00% | 2.00% | 0.00% | 0.00% | 111.086.764,00 € |
| ES | 2014ES16RFOP002 | Multiregional OP for Spain ERDF 2014-20 | Y | Y | 5.10% | 0.61% | 0.61% | 0.61% | 0.00% | 0.00% | 2.880.043.416,00 € |
| ES | 2014ES16RFOP003 | Andalucía ERDF 2014-20 OP | Y | Y | 9.23% | 4.20% | 0.86% | 0.87% | 0.00% | 0.00% | 1.963.620.697,00 € |
| ES | 2014ES16RFOP004 | Aragón ERDF 2014-20 OP | Y | Y | 7.45% | 4.60% | 1.85% | 1.85% | 0.00% | 0.00% | 110.995.343,70 € |
| ES | 2014ES16RFOP005 | Asturias ERDF 2014-20 OP | N | Y | 11.63% | 3.53% | 1.12% | 1.12% | 0.00% | 0.00% | 11.819.720,46 € |
| ES | 2014ES16RFOP006 | Baleares ERDF 2014-20 OP | Y | Y | 18.52% | 0.50% | 0.00% | - | 0.00% | 0.00% | 93.986.554,80 € |
| ES | 2014ES16RFOP007 | Canary Islands ERDF 2014-20 OP | Y | Y | 16.08% | 13.74% | 2.51% | 2.51% | 0.00% | 0.00% | 299.318.594,90 € |
| ES | 2014ES16RFOP008 | Cantabria ERDF 2014-20 OP | Y | Y | 0.00% | 5.00% | 2.00% | 2.00% | 0.00% | 0.00% | 55.709.757,08 € |
| ES | 2014ES16RFOP009 | Castilla y León ERDF 2014-20 OP | Y | Y | 6.90% | 0.60% | 0.32% | 0.32% | 0.00% | 0.00% | 223.765.981,70 € |
| ES | 2014ES16RFOP010 | Castilla-La Mancha ERDF 2014-20 OP | Y | Y | 0.12% | 3.63% | 0.00% | - | 0.00% | 0.00% | 23.998.437,13 € |
| ES | 2014ES16RFOP011 | Cataluña ERDF 2014-20 OP | Y | Y | 1.06% | 2.42% | 1.91% | 1.91% | 0.00% | 0.00% | 393.439.849,70 € |
| ES | 2014ES16RFOP012 | Ceuta ERDF 2014-20 OP | N | Y | 1.19% | 0.00% | 0.00% | - | 0.00% | 0.00% | 13.093.781,81 € |
| ES | 2014ES16RFOP013 | Comunidad Valenciana ERDF 2014-20 OP | Y | Y | 1.49% | 3.24% | 1.27% | 12.25% | 0.00% | 0.00% | 582.455.509,00 € |
| ES | 2014ES16RFOP014 | Extremadura ERDF 2014-20 OP | Y | Y | 12.65% | 0.00% | 0.00% | - | 0.00% | 0.00% | 314.286.995,60 € |
| ES | 2014ES16RFOP015 | Galicia ERDF 2014-20 OP | Y | Y | 6.86% | 2.94% | 1.80% | 1.80% | 0.00% | 0.00% | 181.539.688,30 € |

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| ES | 2014ES16RFOP016 | La Rioja ERDF 2014-20 OP | Y | Y | 0.00% | 3.40% | 0.67% | 0.67% | 0.00% | 0.00% | 13.157.754,76 € |
| ES | 2014ES16RFOP017 | Madrid ERDF 2014-20 OP | Y | Y | 1.36% | 0.37% | 0.00% | - | 0.00% | 0.00% | 309.214.374,10 € |
| ES | 2014ES16RFOP018 | Melilla ERDF 2014-20 OP | N | Y | 2.00% | 0.28% | 0.00% | - | 0.00% | 0.00% | 6.041.929,62 € |
| ES | 2014ES16RFOP019 | Murcia ERDF 2014-20 OP | Y | Y | 0.87% | 23.92% | 0.14% | 0.14% | 0.00% | 0.00% | 211.344.104,80 € |
| ES | 2014ES16RFOP020 | Navarra ERDF 2014-20 OP | Y | Y | 0.00% | 0.88% | 0.00% | - | 0.00% | 0.00% | 92.321.830,84 € |
| ES | 2014ES16RFOP021 | País Vasco ERDF 2014-20 OP | Y | Y | 0.26% | 20.00% | 2.00% | 2.00% | 0.00% | 0.00% | 23.684.044,07 € |
| ES | 2014ES16RFSM001 | SME Initiative ERDF 2014-20 OP | OP closed | OP closed | - | #N/A | #N/A | #N/A | #N/A | #N/A | #N/A |
| FI | 2014FI05M2OP001 | Entrepreneurship and skills, Åland Structural Fund Programme 2014-2020 | Y | Y | 0.01% | 1.08% | 0.02% | 0.12% | 1.94% | 1.56% | 79.676,46 € |
| FI | 2014FI16M2OP001 | Sustainable growth and jobs 2014-2020 - Structural Funds Programme of Finland | Y | Y | 0.42% | 1.06% | 1.05% | 1.05% | 0.00% | 0.00% | 68.322.983,66 € |
| FR | 2014FR05M0OP001 | Operational Programme ERDF-ESF ile-de-France et Seine 2014-2020 | Y | Y | 3.89% | 1.01% | 0.66% | 0.77% | 1.24% | 0.00% | 29.218.322,59 € |
| FR | 2014FR05M2OP001 | Operational Programme ERDF-ESF Guadeloupe et St Martin Etat 2014-2020 | N | Y | 35.74% | 7.04% | 2.00% | 2.00% | 0.00% | 0.00% | 30.918.803,25 € |
| FR | 2014FR16M0OP001 | Regional programme Aquitaine 2014-2020 | Y | Y | 7.75% | 3.45% | 2.00% | 2.12% | 0.00% | 0.00% | 131.212.375,80 € |
| FR | 2014FR16M0OP002 | Regional programme Auvergne 2014-2020 | Y | Y | 0.94% | 3.70% | 2.00% | 2.24% | 0.00% | 0.00% | 4.688.066,70 € |
| FR | 2014FR16M0OP003 | Regional programme Centre 2014-2020 | Y | Y | 0.49% | 1.28% | 1.06% | 1.22% | 0.00% | 0.00% | 7.698.261,17 € |
| FR | 2014FR16M0OP004 | Regional programme Champagne-Ardenne 2014-2020 | Y | Y | 1.09% | 0.81% | 0.74% | 0.81% | 0.00% | 0.00% | 4.838.950,50 € |

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| FR | 2014FR16M0OP005 | Regional programme Haute-Normandie 2014-2020 | Y | Y | 1.00% | 1.42% | 0.85% | 1.06% | 1.21% | 1.00% | 9.188.222,19 € |
| FR | 2014FR16M0OP006 | Regional programme Languedoc-Roussillon 2014-2020 | Y | Y | 1.95% | 3.28% | 2.00% | 2.15% | 0.00% | 0.00% | 10.627.363,84 € |
| FR | 2014FR16M0OP007 | Regional programme Midi-Pyrénées et Garonne 2014-2020 | Y | Y | 1.95% | 3.28% | 2.00% | 2.00% | 0.00% | 0.00% | 35.415.438,46 € |
| FR | 2014FR16M0OP008 | Regional programme Picardie 2014-2020 | Y | Y | 1.34% | 0.14% | 0.13% | 0.13% | 0.00% | 0.00% | 51.808.731,27 € |
| FR | 2014FR16M0OP009 | Regional programme Guadeloupe Conseil Régional 2014-2020 | N | Y | 14.25% | 23.53% | 2.00% | 2.00% | 0.00% | 0.00% | 204.279.049,40 € |
| FR | 2014FR16M0OP011 | Regional programme Martinique Conseil Régional 2014-2020 | Y | Y | 0.01% | 0.01% | 0.01% | 0.01% | 0.00% | 0.00% | 84.025.656,41 € |
| FR | 2014FR16M0OP012 | Regional programme Nord-Pas de Calais 2014-2020 | Y | Y | 1.34% | 0.14% | 0.13% | 0.13% | 0.00% | 0.00% | 79.358.842,88 € |
| FR | 2014FR16M0OP013 | Regional programme Provence Alpes Côte d'Azur 2014-2020 | Y | Y | 0.48% | 2.70% | 0.48% | 0.57% | 0.00% | 0.00% | 47.523.659,46 € |
| FR | 2014FR16M0OP014 | Regional programme Bourgogne 2014-2020 | Y | Y | 0.59% | 0.68% | 0.59% | 0.73% | 0.00% | 0.00% | 21.922.182,17 € |
| FR | 2014FR16M0OP015 | Regional programme Lorraine et Vosges 2014-2020 | Y | Y | 1.09% | 0.81% | 0.74% | 0.82% | 0.00% | 0.00% | 76.624.417,54 € |
| FR | 2014FR16M2OP001 | Regional programme Basse-Normandie 2014-2020 | Y | Y | 1.00% | 1.42% | 0.85% | 1.06% | 1.21% | 1.00% | 17.323.125,51 € |
| FR | 2014FR16M2OP003 | Regional programme Bretagne 2014-2020 | Y | Y | 1.02% | 1.52% | 1.07% | 1.08% | 0.00% | 0.00% | 55.895.925,73 € |
| FR | 2014FR16M2OP004 | Regional programme Corse 2014-2020 | Y | Y | 8.10% | 0.02% | 0.01% | 0.02% | 0.00% | 0.00% | 47.947.678,59 € |
| FR | 2014FR16M2OP005 | Regional programme Franche-Comté et Jura 2014-2020 | Y | Y | 0.59% | 0.68% | 0.59% | 0.64% | 0.00% | 0.00% | 5.417.804,72 € |

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| FR | 2014FR16M2OP006 | Regional programme Limousin 2014-2020 | Y | Y | 7.75% | 3.45% | 2.00% | 2.12% | 0.00% | 0.00% | 16.749.484,60 € |
| FR | 2014FR16M2OP008 | Regional programme Pays de la Loire 2014-2020 | Y | Y | 2.71% | 2.11% | 0.51% | 0.51% | 0.00% | 0.00% | 63.467.898,32 € |
| FR | 2014FR16M2OP009 | Regional programme Poitou Charentes 2014-2020 | Y | Y | 7.75% | 3.45% | 2.00% | 2.06% | 0.00% | 0.00% | 65.866.422,64 € |
| FR | 2014FR16M2OP010 | Regional programme Rhône Alpes 2014-2020 | Y | Y | 0.94% | 3.70% | 2.00% | 2.63% | 0.00% | 0.00% | 67.014.022,02 € |
| FR | 2014FR16M2OP011 | Regional programme Guyane Conseil Régional 2014-2020 | Y | Y | 0.00% | 0.46% | 0.43% | 0.43% | 0.00% | 0.00% | 176.432.725,00 € |
| FR | 2014FR16M2OP012 | Regional programme Mayotte 2014-2020 | Y | Y | 0.96% | 0.88% | 0.78% | 0.78% | 0.00% | 0.00% | 135.590.016,50 € |
| FR | 2014FR16M2TA001 | National technical assistance programme 2014-2020 | Y | Y | 0.15% | 0.01% | 0.01% | 0.01% | 0.00% | 0.00% | 2.006.466,39 € |
| FR | 2014FR16RFOP001 | Interregional programme Alpes 2014-2020 | Y | Y | 2.30% | 0.76% | 0.58% | 0.58% | 0.00% | 0.00% | 6.654.025,74 € |
| FR | 2014FR16RFOP002 | Interregional programme Loire 2014-2020 | Y | Y | 0.49% | 1.28% | 1.06% | 1.06% | 0.00% | 0.00% | 8.760.510,18 € |
| FR | 2014FR16RFOP003 | Interregional programme Massif Central 2014-2020 | Y | Y | 13.62% | 2.10% | 1.67% | 1.67% | 0.00% | 0.00% | 10.122.507,96 € |
| FR | 2014FR16RFOP004 | Interregional programme Pyrénées 2014-2020 | Y | Y | 1.95% | 3.28% | 2.00% | 2.00% | 0.00% | 0.00% | 5.829.710,91 € |
| FR | 2014FR16RFOP005 | Interregional programme Rhône 2014-2020 | Y | Y | 0.94% | 3.70% | 2.00% | 2.24% | 0.00% | 0.00% | 1.050.597,17 € |
| FR | 2014FR16RFOP006 | Interregional programme Alsace 2014-2020 | Y | Y | 1.09% | 0.81% | 0.74% | 1.08% | 0.00% | 0.00% | 2.113.762,35 € |
| FR | 2014FR16RFOP007 | Interregional programme Réunion Conseil Régional 2014-2020 | Y | Y | 0.12% | 0.13% | 0.12% | 0.12% | 0.00% | 0.00% | 361.771.821,70 € |
| GR | 2014GR05M2OP00 1 | Reform of the Public Sector | Y | Y | 4.17% | 2.89% | 1.98% | 1.99% | 0.00% | 0.00% | 14.858.933,18 € |

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| GR | 2014GR16M1OP001 | TRANSPORT INFRASTRUCTURE, ENVIRONMENT AND SUSTAINABLE DEVELOPMENT OP | Y | Y | 4.17% | 2.89% | 1.98% | 1.99% | 0.00% | 0.00% | 115.438.658,30 € |
| GR | 2014GR16M2OP001 | COMPETITIVENESS, ENTREPRENEURSHIP AND INNOVATION OP | Y | Y | 4.17% | 2.89% | 1.98% | 1.99% | 0.00% | 0.00% | 62.975.417,61 € |
| GR | 2014GR16M2OP002 | CENTRAL MACEDONIA OP | Y | Y | 4.17% | 2.89% | 1.98% | 1.99% | 0.00% | 0.00% | 57.405.670,91 € |
| GR | 2014GR16M2OP003 | THESSALY OP | Y | Y | 4.17% | 2.89% | 1.98% | 1.99% | 0.00% | 0.00% | 11.371.076,11 € |
| GR | 2014GR16M2OP004 | EPIRUS OP | Y | Y | 4.17% | 2.89% | 1.98% | 1.99% | 0.00% | 0.00% | 2.279.904,12 € |
| GR | 2014GR16M2OP005 | WESTERN GREECE OP | Y | Y | 4.17% | 2.89% | 1.98% | 1.99% | 0.00% | 0.00% | 5.834.149,82 € |
| GR | 2014GR16M2OP006 | WESTERN MACEDONIA OP | Y | Y | 4.17% | 2.89% | 1.98% | 1.99% | 0.00% | 0.00% | 5.986.885,27 € |
| GR | 2014GR16M2OP007 | CONTINENTAL GREECE OP | Y | Y | 4.17% | 2.89% | 1.98% | 1.99% | 0.00% | 0.00% | 2.074.105,38 € |
| GR | 2014GR16M2OP008 | PELOPONNESUS OP | Y | Y | 4.17% | 2.89% | 1.98% | 1.99% | 0.00% | 0.00% | 4.138.410,43 € |
| GR | 2014GR16M2OP009 | IONIAN ISLANDS OP | Y | Y | 4.17% | 2.89% | 1.98% | 1.99% | 0.00% | 0.00% | 4.024.368,47 € |
| GR | 2014GR16M2OP010 | NORTH AEGEAN OP | Y | Y | 4.17% | 2.89% | 1.98% | 2.07% | 0.00% | 0.00% | 7.379.494,28 € |
| GR | 2014GR16M2OP011 | CRETE OP | Y | Y | 4.17% | 2.89% | 1.98% | 1.99% | 0.00% | 0.00% | 20.711.530,05 € |
| GR | 2014GR16M2OP012 | ATTICA OP | Y | Y | 4.17% | 2.89% | 1.98% | 1.99% | 0.00% | 0.00% | 28.570.150,14 € |
| GR | 2014GR16M2OP013 | SOUTH AEGEAN OP | Y | Y | 4.17% | 2.89% | 1.98% | 1.99% | 0.00% | 0.00% | 1.084.495,66 € |

| MS | Ref | Title | (1) MCS functioning effectively AAR 2023 (Y/N/NA*): Y=Cat. 1-2; N=Cat. 3-4 | (1) MCS functioning effectively AAR2024 (Y/N/NA*): Y=Cat. 1-2; N=Cat. 3-4 | **Accounting year 2021-2022** **Confirmed error rates after EC's assessment** (desk review of all OPs and risk-based compliance audits) | **Accounting year 2022-2023** **Confirmed error rates after EC's audit assessment** (desk review of all OPs and risk-based compliance audits) | | | **Accounting year 2023-2024** **'Reportable' error rates** (reported by audit authorities and, where necessary, adjusted by EC following preliminary consistency checks) | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | (2) Total Error Rate | (3) Total Error Rate | (4) Residual Total Error Rate | (5) Residual Total Error Rate removing impact of advances to financial instruments | (6) Total Error Rate reportable by EC | (7) Residual Total Error Rate reportable by EC | (8) Relevant Expediture (€) |
| GR | 2014GR16M2OP01 4 | EASTERN MACEDONIA-THRACE OP | Y | Y | 4.17% | 2.89% | 1.98% | 1.99% | 0.00% | 0.00% | 461.917,14 € |
| GR | 2014GR16M3TA001 | Technical Assistance Programme | Y | Y | 4.17% | 2.89% | 1.98% | 1.99% | 0.00% | 0.00% | 21.284.271,54 € |
| HR | 2014HR16M1OP00 1 | Competitiveness and Cohesion OP | Y | Y | 0.34% | 0.31% | 0.17% | 0.17% | 0.00% | 0.00% | 1.302.292.077,00 € |
| HU | 2014HU05M2OP00 1 | Human Resources Development Operational Programme | N | Y | 8.17% | 11.57% | 5.13% | 5.13% | 0.00% | 0.00% | 93.944.943,07 € |
| HU | 2014HU05M3OP00 1 | Public Administration and Civil Service Development OP | Y | Y | 2.14% | 3.07% | 1.30% | 1.30% | 1.06% | 0.61% | 4.364.286,21 € |
| HU | 2014HU16M0OP00 1 | Economic Development and Innovation Operational Programme | Y | Y | 5.93% | 1.51% | 1.48% | 2.70% | 0.00% | 0.00% | 131.524.263,60 € |
| HU | 2014HU16M1OP00 1 | Environmental and Energy Efficiency OP | Y | Y | 1.94% | 2.25% | 1.99% | 1.99% | 0.00% | 0.00% | 129.140.215,00 € |
| HU | 2014HU16M1OP00 3 | Integrated Transport OP | Y | Y | 1.98% | 5.06% | 1.99% | 1.99% | 0.00% | 0.00% | 3.705.759,40 € |
| HU | 2014HU16M2OP00 1 | Territorial and settlement development OP | N | Y | 3.22% | 5.56% | 1.99% | 1.99% | 0.00% | 0.00% | 103.628.283,40 € |
| HU | 2014HU16M2OP00 2 | Competitive Central-Hungary OP | N | Y | 3.22% | 5.56% | 1.99% | 1.99% | 0.00% | 0.00% | 7.333.621,43 € |
| IE | 2014IE16RFOP001 | Border, Midland and Western Regional Operational Programme 2014-2020 | N | Y | 0.02% | 14.92% | 14.92% | 14.92% | 0.00% | 0.00% | 0,00 € |
| IE | 2014IE16RFOP002 | Southern & Eastern Regional Operational Programme | N | Y | 0.02% | 14.92% | 14.92% | 14.92% | 0.00% | 0.00% | 3.086.161,53 € |
| IT | 2014IT05M2OP001 | National Operational Programme on Education | Y | Y | 1.24% | 1.27% | 1.24% | 1.24% | 0.00% | 0.00% | 542.014.523,30 € |
| IT | 2014IT05M2OP002 | National Operational Programme on Governance and Institutional Capacity | Y | Y | 0.65% | 0.16% | 0.16% | 0.16% | 0.00% | 0.00% | 167.633.595,60 € |

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| IT | 2014IT16M2OP001 | ROP Molise ERDF ESF | Y | Y | 2.00% | 1.36% | 0.86% | 0.86% | 0.00% | 0.00% | 9.473.736,94 € |
| IT | 2014IT16M2OP002 | ROP Puglia ERDF ESF | Y | Y | 1.26% | 2.35% | 2.00% | 2.00% | 0.00% | 0.00% | 205.524.066,90 € |
| IT | 2014IT16M2OP003 | National Operational Programme on Legality | Y | Y | 2.12% | 0.73% | 0.49% | 0.49% | 0.00% | 0.00% | 95.016.320,63 € |
| IT | 2014IT16M2OP004 | National Operational Programme on Metropolitan Cities | Y | Y | 2.92% | 0.99% | 0.48% | 0.48% | 0.00% | 0.00% | 406.838.961,80 € |
| IT | 2014IT16M2OP005 | National Operational Programme on Research and Innovation | Y | Y | 0.00% | 0.93% | 0.79% | 0.79% | 0.00% | 0.00% | 131.462.609,30 € |
| IT | 2014IT16M2OP006 | ROP Calabria ERDF ESF | Y | Y | 3.25% | 2.32% | 1.60% | 1.66% | 0.00% | 0.00% | 363.284.137,40 € |
| IT | 2014IT16RFOP001 | National Operational Programme on Culture | Y | Y | 2.00% | 1.68% | 1.56% | 1.56% | 0.00% | 0.00% | 91.842.991,86 € |
| IT | 2014IT16RFOP002 | National Operational Programme on Infrastructures and Networks | Y | Y | 2.51% | 0.00% | 0.00% | - | 5.00% | 5.00% | 530.939.099,80 € |
| IT | 2014IT16RFOP003 | National Operational Programme on Enterprises and Competitiveness | Y | Y | 0.04% | 0.00% | 0.00% | - | 0.00% | 0.00% | 360.106.177,70 € |
| IT | 2014IT16RFOP004 | ROP Abruzzo ERDF | Y | Y | 0.00% | 0.34% | 0.32% | 0.32% | 0.00% | 0.00% | 7.395.833,18 € |
| IT | 2014IT16RFOP005 | ROP PA Bolzano ERDF | Y | Y | 0.40% | 0.00% | 0.00% | - | 0.00% | 0.00% | 5.380.781,41 € |
| IT | 2014IT16RFOP007 | ROP Campania ERDF | Y | Y | 1.31% | 0.70% | 0.69% | 0.89% | 0.00% | 0.00% | 668.104.028,10 € |
| IT | 2014IT16RFOP008 | ROP Emilia Romagna ERDF | Y | Y | 1.55% | 3.45% | 2.00% | 2.00% | 0.10% | 0.08% | 8.694.095,43 € |
| IT | 2014IT16RFOP009 | ROP Friuli Venezia Giulia ERDF | Y | Y | 0.01% | 0.00% | 0.00% | - | 0.10% | 0.09% | 2.726.710,57 € |
| IT | 2014IT16RFOP010 | ROP Lazio ERDF | Y | Y | 1.94% | 2.00% | 2.00% | 2.00% | 0.00% | 0.00% | 0,00 € |
| IT | 2014IT16RFOP011 | ROP Liguria ERDF | Y | Y | 0.01% | 2.00% | 2.00% | 2.00% | 0.00% | 0.00% | 28.630.295,00 € |

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| IT | 2014IT16RFOP012 | ROP Lombardia ERDF | Y | Y | 0.11% | 3.20% | 3.13% | 3.08% | 0.00% | 0.00% | 10.413.613,96 € |
| IT | 2014IT16RFOP013 | ROP Marche ERDF | Y | Y | 0.14% | 1.50% | 1.13% | 1.26% | 0.00% | 0.00% | 34.067.992,12 € |
| IT | 2014IT16RFOP014 | ROP Piemonte ERDF | Y | Y | 0.01% | 0.00% | 0.00% | - | 0.02% | 0.02% | 10.678.094,24 € |
| IT | 2014IT16RFOP015 | ROP Sardegna ERDF | Y | Y | 1.62% | 1.57% | 1.42% | 1.42% | 0.00% | 0.00% | 9.528.162,17 € |
| IT | 2014IT16RFOP016 | ROP Sicilia ERDF | Y | Y | 2.20% | 1.90% | 0.96% | 0.96% | 0.00% | 0.00% | 989.425.594,50 € |
| IT | 2014IT16RFOP017 | ROP Toscana ERDF | Y | Y | 0.07% | 1.03% | 0.99% | 0.99% | 0.00% | 0.00% | 8.233.316,02 € |
| IT | 2014IT16RFOP018 | ROP PA Trento ERDF | Y | Y | 0.00% | 4.59% | 1.15% | 1.15% | 0.00% | 0.00% | 1.144.925,43 € |
| IT | 2014IT16RFOP019 | ROP Umbria ERDF | Y | Y | 0.13% | 0.97% | 0.81% | 0.85% | 0.00% | 0.00% | 18.581.035,35 € |
| IT | 2014IT16RFOP020 | ROP Valle d'Aosta ERDF | Y | Y | 1.11% | 0.00% | 0.00% | - | 0.00% | 0.00% | 24.262,77 € |
| IT | 2014IT16RFOP021 | ROP Veneto ERDF | Y | Y | 0.61% | 0.12% | 0.11% | 0.13% | 0.01% | 0.01% | 15.998.786,51 € |
| IT | 2014IT16RFOP022 | ROP Basilicata ERDF | Y | Y | 4.60% | 0.00% | 0.00% | - | 0.00% | 0.00% | 119.350.417,90 € |
| LT | 2014LT16MAOP001 | Operational Programme for EU Structural Funds Investments for 2014-2020 | Y | Y | 2.42% | 4.92% | 1.70% | 1.70% | 0.00% | 0.00% | 192.750.839,50 € |
| LU | 2014LU16RFOP001 | Operational Programme ERDF Luxembourg 2014-2020 | Y | Y | 0.00% | 0.00% | 0.00% | - | 0.00% | 0.00% | 6.934.613,51 € |
| LV | 2014LV16MAOP001 | Growth and Employment | Y | Y | 1.31% | 0.05% | 0.05% | 0.05% | 0.00% | 0.00% | 460.132.348,20 € |
| MT | 2014MT16M1OP00 1 | Fostering a competitive and sustainable economy to meet our challenges | Y | Y | 0.17% | 0.97% | 0.38% | 0.38% | 0.00% | 0.00% | 93.279.577,18 € |
| MT | 2014MT16RFSM001 | Stimulate private sector investment for economic growth | Y | Y | 0.00% | 0.00% | 0.00% | - | 0.00% | 0.00% | 700.000,00 € |
| NL | 2014NL16RFOP001 | OP North Netherlands ERDF 2014-2020 | N | Y | 6.73% | 3.73% | 2.00% | 2.00% | 0.00% | 0.00% | 29.125.499,21 € |

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| NL | 2014NL16RFOP002 | OP West Netherlands ERDF 2014-2020 | Y | Y | 2.00% | 5.00% | 5.00% | 5.00% | 0.00% | 0.00% | 34.762.086,00 € |
| NL | 2014NL16RFOP003 | OP South Netherlands ERDF 2014-2020 | Y | Y | 2.00% | 2.00% | 2.00% | 2.00% | 0.00% | 0.00% | 43.707.644,46 € |
| NL | 2014NL16RFOP004 | OP East Netherlands ERDF 2014-2020 | Y | Y | 2.00% | 2.00% | 2.00% | 2.00% | 0.00% | 0.00% | 120.457.754,80 € |
| PL | 2014PL16CFTA001 | OP Technical Assistance | Y | Y | 0.00% | 0.00% | 0.00% | - | 0.11% | 0.11% | 15.070.477,92 € |
| PL | 2014PL16M1OP001 | OP Infrastructure and Environment | Y | Y | 0.00% | 0.00% | 0.00% | - | 0.00% | 0.00% | 555.561.107,70 € |
| PL | 2014PL16M2OP001 | ROP 1 Regional Operational Programme for Dolnośląskie Voivodeship 2014-2020 | Y | Y | 0.78% | 0.26% | 0.26% | 0.27% | 0.00% | 0.00% | 46.335.250,65 € |
| PL | 2014PL16M2OP002 | ROP 2 Regional Operational Programme for Kujawsko-Pomorskie Voivodeship 2014-2020 | N | Y | 1.65% | 13.93% | 13.68% | 13.80% | 0.00% | 0.00% | 55.870.403,41 € |
| PL | 2014PL16M2OP003 | ROP 3 Regional Operational Programme for Lubelskie Voivodeship 2014-2020 | Y | Y | 0.34% | 0.25% | 0.24% | 0.24% | 0.00% | 0.00% | 29.455.067,59 € |
| PL | 2014PL16M2OP004 | ROP 4 Regional Operational Programme for Lubuskie Voivodeship 2014-2020 | Y | Y | 0.27% | 0.18% | 0.18% | 0.18% | 0.00% | 0.00% | 24.753.623,01 € |
| PL | 2014PL16M2OP005 | ROP 5 Regional Operational Programme for Łódzkie Voivodeship 2014-2020 | Y | Y | 1.61% | 0.61% | 0.58% | 0.58% | 0.00% | 0.00% | 58.697.573,43 € |
| PL | 2014PL16M2OP006 | ROP 6 Regional Operational Programme for Małopolskie Voivodeship 2014-2020 | Y | Y | 0.76% | 0.49% | 0.48% | 0.49% | 0.00% | 0.00% | 86.822.265,04 € |
| PL | 2014PL16M2OP007 | ROP 7 Regional Operational Programme for Mazowieckie Voivodeship 2014-2020 | Y | Y | 2.01% | 1.04% | 1.02% | 1.02% | 0.00% | 0.00% | 64.092.012,61 € |

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| PL | 2014PL16M2OP008 | ROP 8 Regional Operational Programme for Opolskie Voivodeship | Y | Y | 2.88% | 0.20% | 0.20% | 0.20% | 0.00% | 0.00% | 17.873.789,42 € |
| PL | 2014PL16M2OP009 | ROP 9 Regional Operational Programme for Podkarpackie Voivodeship | Y | Y | 0.00% | 0.26% | 0.25% | 0.25% | 0.00% | 0.00% | 55.542.536,38 € |
| PL | 2014PL16M2OP010 | ROP 10 Regional Operational Programme for Podlaskie Voivodeship | Y | Y | 1.53% | 2.64% | 1.92% | 1.92% | 0.00% | 0.00% | 22.145.082,45 € |
| PL | 2014PL16M2OP011 | ROP 11 Regional Operational Programme for Pomorskie Voivodeship | Y | Y | 2.14% | 0.38% | 0.38% | 0.41% | 0.00% | 0.00% | 28.530.938,01 € |
| PL | 2014PL16M2OP012 | ROP 12 Regional Operational Programme for Śląskie Voivodeship | Y | Y | 0.62% | 0.00% | 0.00% | - | 0.00% | 0.00% | 128.401.608,50 € |
| PL | 2014PL16M2OP013 | ROP 13 Regional Operational Programme for Świętokrzyskie Voivodeship | Y | Y | 0.49% | 0.01% | 0.01% | 0.01% | 0.00% | 0.00% | 48.249.562,21 € |
| PL | 2014PL16M2OP014 | ROP 14 Regional Operational Programme for Warmińsko-Mazurskie Voivodeship | Y | Y | 0.35% | 0.68% | 0.55% | 0.55% | 0.00% | 0.00% | 34.513.095,04 € |
| PL | 2014PL16M2OP015 | ROP 15 Regional Operational Programme for Wielkopolskie Voivodeship | Y | Y | 0.77% | 1.57% | 1.56% | 1.59% | 0.00% | 0.00% | 40.572.652,02 € |
| PL | 2014PL16M2OP016 | ROP 16 Regional Operational Programme for Zachodniopomorskie Voivodeship | Y | Y | 0.05% | 2.00% | 1.95% | 1.95% | 0.00% | 0.00% | 23.886.458,17 € |
| PL | 2014PL16RFOP001 | OP Smart growth | N | Y | 12.90% | 15.00% | 15.00% | 15.00% | 0.00% | 0.00% | 253.846.326,70 € |
| PL | 2014PL16RFOP002 | OP Digital Poland | Y | Y | 0.01% | 0.12% | 0.10% | 0.10% | 0.00% | 0.00% | 112.710.993,70 € |

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| PL | 2014PL16RFOP003 | OP Development of Eastern Poland | Y | Y | 0.11% | 1.93% | 1.85% | 1.85% | 0.00% | 0.00% | 42.801.990,30 € |
| PT | 2014PT16CFOP001 | Sustainability and Resource Use Efficiency OP | Y | Y | 3.37% | 2.50% | 2.00% | 1.80% | 0.00% | 0.00% | 45.552.983,67 € |
| PT | 2014PT16M2OP001 | Regional OP Norte | Y | Y | 3.37% | 2.50% | 2.00% | 1.83% | 0.00% | 0.00% | 59.308.638,68 € |
| PT | 2014PT16M2OP002 | Regional OP Centro | Y | Y | 3.37% | 2.50% | 2.00% | 1.79% | 0.00% | 0.00% | 63.714.227,78 € |
| PT | 2014PT16M2OP003 | Regional OP Alentejo | Y | Y | 3.37% | 2.50% | 2.00% | 1.69% | 0.00% | 0.00% | 21.695.989,68 € |
| PT | 2014PT16M2OP004 | Regional OP Azores (Autonomous Region) | Y | Y | 3.37% | 2.50% | 2.00% | 1.80% | 0.00% | 0.00% | 39.293.295,67 € |
| PT | 2014PT16M2OP005 | Regional OP Lisboa | Y | Y | 3.37% | 2.50% | 2.00% | 1.64% | 0.00% | 0.00% | 25.142.512,43 € |
| PT | 2014PT16M2OP006 | Regional OP Madeira (Autonomous Region) | Y | Y | 3.37% | 2.50% | 2.00% | 2.05% | 0.00% | 0.00% | 20.895.636,47 € |
| PT | 2014PT16M2OP007 | Regional OP Algarve | Y | Y | 3.37% | 2.50% | 2.00% | 1.79% | 0.00% | 0.00% | 6.184.588,89 € |
| PT | 2014PT16M3OP001 | Competitiveness and Internationalisation OP | Y | Y | 3.37% | 2.50% | 2.00% | 1.80% | 0.00% | 0.00% | 343.074.982,50 € |
| PT | 2014PT16RFTA001 | OP Technical Assistance | Y | Y | 3.37% | 2.50% | 2.00% | 1.80% | 0.00% | 0.00% | 2.683.200,53 € |
| RO | 2014RO16M1OP00 1 | Large Infrastructure Operational Programme | Y | Y | 2.60% | 2.22% | 1.24% | 1.24% | 0.00% | 0.00% | 207.977.612,40 € |
| RO | 2014RO16RFOP001 | Competitiveness Operational Programme | N | Y | 2.68% | 8.82% | 2.00% | 2.00% | 0.00% | 0.00% | 375.508.212,20 € |
| RO | 2014RO16RFOP002 | Regional Operational Programme | Y | Y | 1.58% | 3.38% | 3.05% | 3.10% | 0.00% | 0.00% | 1.038.426.754,00 € |
| RO | 2014RO16RFTA001 | Technical Assistance Operational Programme | Y | Y | 0.05% | 1.26% | 1.06% | 1.06% | 0.42% | 0.28% | 48.162.364,22 € |
| SE | 2014SE16M2OP001 | Community-led local development programme with support from ERDF and ESF 2014-2020 | Y | Y | 0.34% | 0.01% | 0.01% | 0.01% | 0.36% | 0.33% | 649.557,97 € |

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| SE | 2014SE16RFOP001 | South Sweden | Y | Y | 0.14% | 0.81% | 0.80% | 0.80% | 0.00% | 0.00% | 6.621.149,88 € |
| SE | 2014SE16RFOP002 | Småland and islands | Y | Y | 0.14% | 0.81% | 0.80% | 0.80% | 0.00% | 0.00% | 6.854.736,17 € |
| SE | 2014SE16RFOP003 | West Sweden | Y | Y | 0.14% | 0.81% | 0.80% | 0.80% | 0.00% | 0.00% | 2.677.396,17 € |
| SE | 2014SE16RFOP004 | East-Central Sweden | Y | Y | 0.14% | 0.81% | 0.80% | 0.80% | 0.00% | 0.00% | 5.761.410,66 € |
| SE | 2014SE16RFOP005 | Stockholm | Y | Y | 0.14% | 0.81% | 0.80% | 0.80% | 0.00% | 0.00% | 2.136.797,76 € |
| SE | 2014SE16RFOP006 | North-Central Sweden | Y | Y | 0.14% | 0.81% | 0.80% | 0.88% | 0.00% | 0.00% | 15.092.700,35 € |
| SE | 2014SE16RFOP007 | Central Norrland | Y | Y | 0.14% | 0.81% | 0.80% | 0.80% | 0.00% | 0.00% | 16.369.976,17 € |
| SE | 2014SE16RFOP008 | Upper Norrland | Y | Y | 0.14% | 0.81% | 0.80% | 0.85% | 0.00% | 0.00% | 14.278.490,75 € |
| SE | 2014SE16RFOP009 | National regional fund programme for investments in growth and jobs 2014-2020 | Y | Y | 0.14% | 0.81% | 0.80% | 1.05% | 0.00% | 0.00% | 37.388.873,48 € |
| SI | 2014SI16MAOP001 | Operational Programme for the Implementation of the EU Cohesion Policy in the period 2014 – 2020 | Y | Y | 1.45% | 2.23% | 2.19% | 2.23% | 0.00% | 0.00% | 151.127.059,50 € |
| SK | 2014SK05M0OP001 | Operational Programme Human Resources | Y | Y | 0.43% | 0.92% | 0.84% | 0.84% | 0.00% | 0.00% | 116.310.962,40 € |
| SK | 2014SK16M1OP001 | Integrated Infrastructure | Y | Y | 1.81% | 4.63% | 2.00% | 2.41% | 0.00% | 0.00% | 739.304.514,60 € |
| SK | 2014SK16M1OP002 | Quality of Environment | Y | Y | 0.31% | 2.71% | 2.00% | 2.26% | 0.00% | 0.00% | 639.084.293,50 € |
| SK | 2014SK16RFOP002 | Integrated Regional Operational Programme | Y | Y | 1.74% | 1.98% | 1.57% | 1.99% | 0.00% | 0.00% | 86.870.875,91 € |
| SK | 2014SK16RFTA001 | Technical Assistance | Y | Y | 0.14% | 0.00% | 0.00% | - | 0.00% | 0.00% | 1.958.030,59 € |
| TC | 2014TC16I5CB001 | IPA CBC Hungary - Serbia | Y | Y | 0.00% | 3.25% | 1.99% | 1.99% | 0.90% | 0.73% | 5.531.465,47 € |
| TC | 2014TC16I5CB002 | IPA CBC Romania - Serbia | Y | Y | 2.33% | 0.50% | 0.07% | 0.07% | 0.00% | 0.00% | 5.389.486,19 € |

| MS | Ref | Title | (1) MCS functioning effectively AAR 2023 (Y/N/NA*): Y=Cat. 1-2; N=Cat. 3-4 | (1) MCS functioning effectively AAR2024 (Y/N/NA*): Y=Cat. 1-2; N=Cat. 3-4 | Accounting year 2021-2022 | Accounting year 2022-2023 | | | Accounting year 2023-2024 | | |
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| TC | 2014TC16I5CB003 | IPA CBC Croatia - Serbia | Y | Y | 0.00% | 1.66% | 1.14% | 1.14% | 0.00% | 0.00% | 3.761.132,63 € |
| TC | 2014TC16I5CB004 | IPA CBC Croatia – Bosnia and Herzegovina - Montenegro | Y | Y | 0.24% | 3.95% | 2.00% | 2.00% | 0.00% | 0.00% | 1.115.358,31 € |
| TC | 2014TC16I5CB005 | IPA CBC Bulgaria - Turkey | Y | Y | 2.77% | 1.29% | 0.60% | 0.60% | 0.00% | 0.00% | 1.185.109,68 € |
| TC | 2014TC16I5CB006 | IPA CBC Bulgaria – The former Yugoslav Republic of Macedonia | Y | Y | 2.77% | 1.29% | 0.60% | 0.60% | 0.00% | 0.00% | 938.478,56 € |
| TC | 2014TC16I5CB007 | IPA CBC Bulgaria - Serbia | Y | Y | 2.77% | 1.29% | 0.60% | 0.60% | 0.00% | 0.00% | 1.486.609,17 € |
| TC | 2014TC16I5CB008 | IPA CBC Italy – Albania - Montenegro | Y | Y | 0.60% | 0.10% | 0.09% | 0.09% | 0.00% | 0.00% | 14.384.965,54 € |
| TC | 2014TC16I5CB009 | IPA CBC Greece – The former Yugoslav Republic of Macedonia | Y | Y | 5.48% | 0.12% | 0.11% | 0.11% | 0.00% | 0.00% | 2.079.107,66 € |
| TC | 2014TC16I5CB010 | IPA CBC Greece - Albania | Y | Y | 0.35% | 0.00% | 0.00% | - | 0.00% | 0.00% | 3.613.733,05 € |
| TC | 2014TC16M4TN001 | Mediterranean | Y | Y | 0.32% | 0.08% | 0.08% | 0.08% | 0.00% | 0.00% | 8.881.561,90 € |
| TC | 2014TC16M4TN002 | Adriatic-Ionian | Y | Y | 0.52% | 0.00% | 0.00% | - | 0.07% | 0.07% | 17.139.560,92 € |
| TC | 2014TC16M4TN003 | Balkan-Mediterranean | Y | Y | 7.10% | 0.34% | 0.33% | 0.33% | 0.00% | 0.00% | 1.541.547,94 € |
| TC | 2014TC16M5TN001 | Baltic Sea | Y | Y | 0.13% | 0.00% | 0.00% | - | 0.00% | 0.00% | 9.453.842,76 € |
| TC | 2014TC16M6TN001 | Danube | Y | Y | 0.75% | 0.50% | 0.47% | 0.40% | 0.00% | 0.00% | 10.952.983,89 € |
| TC | 2014TC16RFCB001 | Interreg V-A - Belgium-Germany-The Netherlands (Euregio Meuse-Rhin/Euregio Maas-Rijn/Euregio Maas-Rhein) | Y | Y | 2.72% | 2.15% | 1.96% | 1.96% | 0.00% | 0.00% | 8.234.683,62 € |
| TC | 2014TC16RFCB002 | Interreg V-A - Austria-Czech Republic | Y | Y | 0.03% | 1.51% | 1.50% | 1.50% | 0.00% | 0.00% | 10.981.833,74 € |
| TC | 2014TC16RFCB003 | Interreg V-A - Slovakia-Austria | Y | Y | 15.31% | 2.00% | 2.00% | 2.00% | 0.00% | 0.00% | 16.995.811,86 € |

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| TC | 2014TC16RFCB004 | Interreg V-A - Austria–Germany/Bavaria (Bayern–Österreich) | N | Y | 0.27% | 7.43% | 2.00% | 2.00% | 0.00% | 0.00% | 1.996.095,31 € |
| TC | 2014TC16RFCB005 | Interreg V-A - Spain-Portugal (POCTEP) | Y | Y | 0.56% | 2.00% | 2.00% | 2.00% | 0.00% | 0.00% | 81.258.294,25 € |
| TC | 2014TC16RFCB006 | Interreg V-A - Spain-France-Andorra (POCTEFA) | Y | Y | 0.49% | 1.60% | 1.51% | 1.51% | 0.00% | 0.00% | 43.432.440,77 € |
| TC | 2014TC16RFCB007 | Interreg V-A - Spain-Portugal (Madeira-Açores-Canarias (MAC)) | Y | Y | 0.40% | 0.33% | 0.30% | 0.30% | 0.00% | 0.00% | 36.765.640,99 € |
| TC | 2014TC16RFCB008 | Interreg V-A - Hungary-Croatia | Y | Y | 0.55% | 1.84% | 1.67% | 1.67% | 3.48% | 2.00% | 2.708.687,39 € |
| TC | 2014TC16RFCB009 | Interreg V-A - Germany/Bavaria-Czech Republic | Y | Y | 2.11% | 2.86% | 1.95% | 1.95% | 0.57% | 0.50% | 9.053.466,29 € |
| TC | 2014TC16RFCB010 | Interreg V-A - Austria-Hungary | Y | Y | 0.53% | 3.10% | 1.43% | 1.43% | 0.00% | 0.00% | 3.845.747,99 € |
| TC | 2014TC16RFCB011 | Interreg V-A - Germany/Brandenburg-Poland | Y | Y | 0.46% | 0.00% | 0.00% | - | 0.00% | 0.00% | 17.736.149,29 € |
| TC | 2014TC16RFCB012 | Interreg V-A - Poland-Slovakia | Y | Y | 0.12% | 0.00% | 0.00% | - | 0.00% | 0.00% | 5.738.085,84 € |
| TC | 2014TC16RFCB013 | Interreg V-A - Poland-Denmark-Germany-Lithuania-Sweden (South Baltic) | Y | Y | 2.56% | 1.13% | 0.97% | 0.97% | 0.00% | 0.00% | 2.731.595,71 € |
| TC | 2014TC16RFCB014 | Interreg V-A - Finland-Estonia-Latvia-Sweden (Central Baltic) | Y | Y | 0.59% | 0.24% | 0.24% | 0.24% | 0.00% | 0.00% | 2.803.005,22 € |
| TC | 2014TC16RFCB015 | Interreg V-A - Slovakia-Hungary | Y | Y | 0.16% | 0.53% | 0.23% | 0.23% | 0.00% | 0.00% | 28.718.930,64 € |
| TC | 2014TC16RFCB016 | Interreg V-A - Sweden-Norway | Y | Y | 0.35% | 0.05% | 0.04% | 0.04% | 3.60% | 2.00% | 2.284.380,29 € |
| TC | 2014TC16RFCB017 | Interreg V-A - Germany/Saxony-Czech Republic | Y | Y | 1.88% | 0.30% | 0.19% | 0.19% | 1.36% | 1.22% | 9.555.208,08 € |

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| TC | 2014TC16RFCB018 | Interreg V-A - Poland-Germany/Saxony | Y | Y | 2.37% | 0.21% | 0.18% | 0.18% | 0.00% | 0.00% | 2.444.903,46 € |
| TC | 2014TC16RFCB019 | Interreg V-A - Germany/Mecklenburg-Vorpommern-Brandenburg-Poland | Y | Y | 1.32% | 0.00% | 0.00% | - | 0.00% | 0.00% | 5.989.180,46 € |
| TC | 2014TC16RFCB020 | Interreg V-A - Greece-Italy | Y | Y | 10.48% | 0.00% | 0.00% | - | 0.00% | 0.00% | 23.373.545,49 € |
| TC | 2014TC16RFCB021 | Interreg V-A - Romania-Bulgaria | Y | Y | 2.29% | 2.01% | 1.16% | 0.01% | 0.00% | 0.00% | 24.804.771,28 € |
| TC | 2014TC16RFCB022 | Interreg V-A - Greece-Bulgaria | Y | Y | 3.97% | 3.12% | 2.00% | 2.00% | 0.00% | 0.00% | 16.222.962,65 € |
| TC | 2014TC16RFCB023 | Interreg V-A - Germany-The Netherlands (Deutschland-Nederland) | Y | Y | 0.46% | 0.59% | 0.57% | 0.57% | 0.00% | 0.00% | 7.313.243,70 € |
| TC | 2014TC16RFCB024 | Interreg V-A - Germany-Austria-Switzerland-Liechtenstein (Alpenrhein-Bodensee-Hochrhein) | Y | Y | 1.29% | 0.00% | 0.00% | - | 0.62% | 0.43% | 709.923,15 € |
| TC | 2014TC16RFCB025 | Interreg V-A - Czech Republic-Poland | Y | Y | 3.43% | 0.86% | 0.81% | 0.81% | 0.00% | 0.00% | 25.817.911,78 € |
| TC | 2014TC16RFCB026 | Interreg V-A - Sweden-Denmark-Norway (Öresund-Kattegat-Skagerrak) | Y | Y | 3.90% | 0.10% | 0.09% | 0.09% | 0.90% | 0.82% | 2.264.311,59 € |
| TC | 2014TC16RFCB027 | Interreg V-A - Latvia-Lithuania | Y | Y | 0.00% | 0.01% | 0.01% | 0.01% | 0.00% | 0.00% | 7.060.108,89 € |
| TC | 2014TC16RFCB028 | Interreg V-A - Sweden-Finland-Norway (Botnia-Atlantica) | Y | Y | 0.03% | 4.95% | 2.00% | 2.00% | 1.07% | 0.91% | 613.379,07 € |
| TC | 2014TC16RFCB029 | Interreg V-A - Slovenia-Croatia | Y | Y | 0.54% | 10.10% | 0.02% | 0.02% | 0.00% | 0.00% | 786.553,06 € |
| TC | 2014TC16RFCB030 | Interreg V-A - Slovakia-Czech Republic | Y | Y | 2.23% | 2.13% | 0.83% | 0.83% | 0.00% | 0.00% | 10.487.462,79 € |
| TC | 2014TC16RFCB031 | Interreg V-A - Lithuania-Poland | N | Y | 0.00% | 9.11% | 5.20% | 5.20% | 0.00% | 0.00% | 2.838.720,45 € |

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| TC | 2014TC16RFCB032 | Interreg V-A - Sweden-Finland-Norway (Nord) | Y | Y | 0.86% | 0.21% | 0.19% | 0.19% | 3.91% | 2.00% | 1.082.348,95 € |
| TC | 2014TC16RFCB033 | Interreg V-A - Italy-France (Maritime) | Y | Y | 0.00% | 0.04% | 0.04% | 0.04% | 0.82% | 0.81% | 20.497.449,73 € |
| TC | 2014TC16RFCB034 | Interreg V-A - France-Italy (ALCOTRA) | Y | Y | 0.41% | 0.02% | 0.02% | 0.02% | 0.00% | 0.00% | 35.667.327,17 € |
| TC | 2014TC16RFCB035 | Interreg V-A - Italy-Switzerland | Y | Y | 0.12% | 1.32% | 1.00% | 1.00% | 0.00% | 0.00% | 23.894.614,62 € |
| TC | 2014TC16RFCB036 | Interreg V-A - Italy-Slovenia | Y | Y | 0.80% | 0.53% | 0.47% | 0.47% | 0.11% | 0.07% | 1.584.208,52 € |
| TC | 2014TC16RFCB037 | Interreg V-A - Italy-Malta | Y | Y | 0.00% | 1.36% | 1.19% | 1.19% | 0.00% | 0.00% | 12.041.093,77 € |
| TC | 2014TC16RFCB038 | Interreg V-A - France-Belgium-The Netherlands-United Kingdom (Les Deux Mers/Two seas/Twee Zeeën) | Y | Y | 0.05% | 0.36% | 0.34% | 0.34% | 0.33% | 0.32% | 5.141.070,05 € |
| TC | 2014TC16RFCB039 | Interreg V-A - France-Germany-Switzerland (Rhin supérieur/Oberrhein) | Y | Y | 3.91% | 0.55% | 0.48% | 0.48% | 0.00% | 0.00% | 21.556.588,84 € |
| TC | 2014TC16RFCB040 | Interreg V-A - France-United Kingdom (Manche/Channel) | Y | Y | 0.60% | 0.03% | 0.00% | - | 0.00% | 0.00% | 26.856.860,33 € |
| TC | 2014TC16RFCB041 | Interreg V-A - France-Switzerland | Y | Y | 1.20% | 0.43% | 0.37% | 0.37% | 0.00% | 0.00% | 17.262.316,04 € |
| TC | 2014TC16RFCB042 | Interreg V-A - Italy-Croatia | Y | Y | 1.64% | 1.99% | 1.87% | 1.87% | 0.00% | 0.00% | 52.394.383,41 € |
| TC | 2014TC16RFCB043 | Interreg V-A - France (Saint Martin-Sint Maarten) | Y | Y | 0.00% | 1.80% | 0.91% | 0.91% | 0.00% | 0.00% | 5.577.813,31 € |
| TC | 2014TC16RFCB044 | Interreg V-A - Belgium-France (France-Wallonie-Vlaanderen) | Y | Y | 0.61% | 1.51% | 1.43% | 1.43% | 0.00% | 0.00% | 7.361.436,83 € |
| TC | 2014TC16RFCB045 | Interreg V-A - France-Belgium-Germany-Luxembourg (Grande Région/Großregion) | Y | Y | 0.44% | 0.00% | 0.00% | - | 0.00% | 0.00% | 8.055.212,19 € |

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| TC | 2014TC16RFCB046 | Interreg V-A - Belgium-The Netherlands (Vlaanderen-Nederland) | Y | Y | 0.13% | 0.21% | 0.21% | 0.21% | 0.00% | 0.00% | 2.724.215,13 € |
| TC | 2014TC16RFCB047 | Interreg V-A - United Kingdom-Ireland (Ireland-Northern Ireland-Scotland) | Y | Y | 0.53% | 0.37% | 0.37% | 0.37% | 0.00% | 0.00% | 33.200.975,49 € |
| TC | 2014TC16RFCB048 | Interreg V-A - United Kingdom-Ireland (Ireland-Wales) | Y | Y | 0.70% | 0.00% | 0.00% | - | 0.00% | 0.00% | 19.563.866,75 € |
| TC | 2014TC16RFCB049 | Interreg V-A - Romania-Hungary | Y | Y | 0.31% | 1.73% | 1.59% | 1.59% | 0.00% | 0.00% | 43.969.012,43 € |
| TC | 2014TC16RFCB050 | Interreg V-A - Estonia-Latvia | Y | Y | 0.09% | 0.00% | 0.00% | - | 0.00% | 0.00% | 0,00 € |
| TC | 2014TC16RFCB051 | Interreg V-A - France (Mayotte-Comores-Madagascar) | N | Y | - | 0.00% | 0.00% | - | 0.00% | 0.00% | 0,00 € |
| TC | 2014TC16RFCB052 | Interreg V-A - Italy-Austria | Y | Y | 1.31% | 0.18% | 0.11% | 0.11% | 0.33% | 0.22% | 9.051.595,16 € |
| TC | 2014TC16RFCB053 | Interreg V-A - Slovenia-Hungary | Y | Y | 0.80% | 5.32% | 2.00% | 2.00% | 0.00% | 0.00% | 216.422,44 € |
| TC | 2014TC16RFCB054 | Interreg V-A - Slovenia-Austria | Y | Y | 5.00% | 5.00% | 5.00% | 5.00% | 0.00% | 0.00% | 996.903,41 € |
| TC | 2014TC16RFCB055 | Interreg V-A - Greece-Cyprus | Y | Y | 1.88% | 0.45% | 0.39% | 0.39% | 0.00% | 0.00% | 7.242.244,18 € |
| TC | 2014TC16RFCB056 | Interreg V-A - Germany-Denmark | Y | Y | 0.05% | 1.16% | 1.14% | 1.14% | 0.04% | 0.04% | 2.449.864,14 € |
| TC | 2014TC16RFIR001 | INTERREG EUROPE | Y | Y | 0.17% | 0.43% | 0.43% | 0.43% | 0.25% | 0.25% | 7.402.771,94 € |
| TC | 2014TC16RFIR002 | INTERACT | Y | Y | 0.09% | 0.00% | 0.00% | - | 0.00% | 0.00% | 1.441.397,69 € |
| TC | 2014TC16RFIR003 | URBACT | Y | Y | 1.41% | 0.21% | 0.20% | 0.20% | 0.00% | 0.00% | 10.481.788,44 € |
| TC | 2014TC16RFIR004 | ESPON | Y | Y | 0.00% | 0.00% | 0.00% | - | 0.00% | 0.00% | 797.933,47 € |
| TC | 2014TC16RFPC001 | Ireland-United Kingdom (PEACE) | Y | Y | 0.53% | 0.37% | 0.37% | 0.37% | 0.00% | 0.00% | 40.305.496,02 € |

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| TC | 2014TC16RFTN001 | Alpine Space | Y | Y | 0.94% | 0.63% | 0.60% | 0.60% | 0.60% | 0.21% | 1.571.435,14 € |
| TC | 2014TC16RFTN002 | Atlantic Area | Y | Y | 0.16% | 0.38% | 0.34% | 0.34% | 0.00% | 0.00% | 27.331.731,81 € |
| TC | 2014TC16RFTN003 | Central Europe | Y | Y | 0.59% | 0.97% | 0.95% | 0.95% | 1.65% | 1.28% | 5.128.909,63 € |
| TC | 2014TC16RFTN004 | Northern Periphery and Arctic | Y | Y | 0.36% | 0.48% | 0.43% | 0.43% | 0.00% | 0.00% | 927.592,60 € |
| TC | 2014TC16RFTN005 | North Sea | Y | Y | 1.56% | 0.90% | 0.88% | 0.88% | 0.17% | 0.14% | 6.236.986,49 € |
| TC | 2014TC16RFTN006 | North West Europe | Y | Y | 3.09% | 0.28% | 0.27% | 0.27% | 0.46% | 0.46% | 34.475.129,88 € |
| TC | 2014TC16RFTN007 | South West Europe | Y | Y | 0.86% | 0.09% | 0.03% | 0.03% | 0.00% | 0.00% | 17.838.193,49 € |
| TC | 2014TC16RFTN008 | Caribbean Area | N | Y | 31.59% | 7.83% | 2.00% | 2.00% | 0.00% | 0.00% | 0,00 € |
| TC | 2014TC16RFTN009 | Indian Ocean Area | Y | Y | 0.00% | 2.15% | 2.00% | 2.00% | 0.00% | 0.00% | 9.400.384,79 € |
| TC | 2014TC16RFTN010 | Amazonia | Y | Y | 6.13% | 1.89% | 1.39% | 1.39% | 0.00% | 0.00% | 1.335.162,33 € |
| UK | 2014UK16RFOP005 | United Kingdom - ERDF West Wales and The Valleys | Y | Y | 0.05% | 1.43% | 0.80% | 0.88% | 0.00% | 0.00% | 307.340.052,40 € |
| UK | 2014UK16RFOP006 | United Kingdom - ERDF East Wales | Y | Y | 0.05% | 1.43% | 0.80% | 0.88% | 0.00% | 0.00% | 46.155.737,70 € |
| BG | 2015BG16RFSM001 | Operational Programme under the SME Initiative | Y | Y | - | 0.00% | 0.00% | - | 0.00% | 0.00% | 0,00 € |
| IT | 2015IT16RFSM001 | National operational programme SME Initiative | Y | Y | 0.00% | 0.00% | 0.00% | - | 0.00% | 0.00% | 18.768.595,60 € |
| FI | 2016FI16RFSM001 | SME Initiative: Finnish guarantee scheme to improve access to finance for high-growth firms | Y | Y | 0.00% | 0.00% | 0.00% | - | 0.00% | 0.00% | 0,00 € |
| DE | 2020DE16M2RE017 | OP Mecklenburg-Western Pomerania REACT-EU 2021-2022 | Y | Y | 0.00% | 0.00% | 0.00% | - | 0.00% | 0.00% | 67.068.932,00 € |
| TC | 2014TC16M5CB002 | ENI CBC Karelia | Y | Y | 0.27% | 0.90% | 0.83% | 0.83% | 0.00% | 0.00% | 2.388.090,12 € |

| MS | Ref | Title | (1) MCS functioning effectively AAR 2023 (Y/N/NA*): Y=Cat. 1-2; N=Cat. 3-4 | (1) MCS functioning effectively AAR2024 (Y/N/NA*): Y=Cat. 1-2; N=Cat. 3-4 | Accounting year 2021-2022<br>**Confirmed error rates after EC's assessment** (desk review of all OPs and risk-based compliance audits) | Accounting year 2022-2023<br>**Confirmed error rates after EC's audit assessment** (desk review of all OPs and risk-based compliance audits) | | | Accounting year 2023-2024<br>**'Reportable' error rates** (reported by audit authorities and, where necessary, adjusted by EC following preliminary consistency checks) | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | (2) Total Error Rate | (3) Total Error Rate | (4) Residual Total Error Rate | (5) Residual Total Error Rate removing impact of advances to financial instruments | (6) Total Error Rate reportable by EC | (7) Residual Total Error Rate reportable by EC | (8) Relevant Expediture (€) |
| TC | 2014TC16M5CB015 | ENI CBC Mediterannean Sea Basin | Y | Y | 1.57% | 0.01% | 0.01% | 0.01% | 0.00% | 0.00% | 29.003.770,03 € |
| TC | 2014TC16M6CB001 | ENI CBC Black Sea Basin | Y | Y | 0.12% | 1.19% | 0.94% | 0.94% | 0.00% | 0.00% | 9.613.999,34 € |
| TC | 2014TC16M5CB001 | ENI CBC Kolarctic | Y | Y | 1.72% | 0.25% | 0.21% | 0.25% | 0.00% | 0.00% | 6.844.541,53 € |
| TC | 2014TC16M5CB003 | ENI CBC South-East Finland - Russia | Y | Y | 2.09% | 0.07% | 0.06% | 0.06% | 0.00% | 0.00% | 8.997.140,17 € |
| TC | 2014TC16M5CB004 | ENI CBC Estonia - Russia | Y | Y | 0.00% | 0.00% | 0.00% | - | 0.00% | 0.00% | 1.116.614,21 € |
| TC | 2014TC16M5CB005 | ENI CBC Latvia - Russia | Y | Y | 0.00% | 0.00% | 0.00% | - | 0.00% | 0.00% | 2.173.027,09 € |
| TC | 2014TC16M5CB006 | ENI CBC Lithuania - Russia | Y | Y | 0.00% | 0.00% | 0.00% | - | 0.00% | 0.00% | 3.845.148,40 € |
| TC | 2014TC16M5CB007 | ENI CBC Poland - Russia | Y | Y | 0.00% | 0.00% | 0.00% | - | 0.00% | 0.00% | 2.700.161,19 € |
| TC | 2014TC16M5CB008 | ENI CBC Latvia - Lithuania - Belarus | Y | Y | 0.00% | 0.00% | 0.00% | - | 0.00% | 0.00% | 5.819.089,19 € |
| TC | 2014TC16M5CB009 | ENI CBC Poland - Belarus - Ukraine | Y | Y | 0.14% | 0.00% | 0.00% | - | 0.00% | 0.00% | 22.607.436,87 € |
| TC | 2014TC16M5CB010 | ENI CBC Hungary - Slovakia - Romania - Ukraine | Y | Y | 0.00% | 0.08% | 0.07% | 0.07% | 0.00% | 0.00% | 11.455.648,65 € |
| TC | 2014TC16M5CB011 | ENI CBC Romania –Moldova | Y | Y | 0.00% | 1.77% | 1.70% | 1.70% | 0.00% | 0.00% | 9.108.257,32 € |
| TC | 2014TC16M5CB012 | ENI CBC Romania - Ukraine | N | Y | 0.00% | 5.40% | 1.04% | 1.04% | 0.00% | 0.00% | 3.243.330,38 € |
| TC | 2014TC16M5CB013 | ENI CBC Italy - Tunisia | Y | Y | 0.00% | 0.05% | 0.05% | 0.05% | 0.00% | 0.00% | 2.735.010,82 € |
| UK | 2014UK16RFOP001 | United Kingdom - ERDF England | Y | Y | 1.35% | 2.80% | 2.00% | 2.39% | 0.48% | 0.29% | 124.714.239,10 € |
| UK | 2014UK16RFOP002 | United Kingdom - ERDF Gibraltar | N | Y | 0.00% | 0.00% | 0.00% | - | 0.00% | 0.00% | 0,00 € |
| UK | 2014UK16RFOP003 | United Kingdom - ERDF Northern Ireland | Y | Y | 0.33% | 0.22% | 0.19% | 0.25% | 0.24% | 0.16% | 18.206.732,01 € |
| UK | 2014UK16RFOP004 | United Kingdom - ERDF Scotland | Y | Y | 3.83% | 0.85% | 0.79% | 0.79% | 0.00% | 0.00% | 178.515.433,00 € |

## ANNEX 7F: 2014-2020 List of programmes with deficiencies in the functioning of the management and control systems (MCS) [25]

| # | MS | CCI | Programme Title | Authority concerned | Part of the MCS for which deficiencies were identified (KR) | Reservation Y/N (if Y, see annex 9) | Relevant expenditure 2024 REGIO | % of relevant expenditure 2024 |
|---|---|---|---|---|---|---|---|---|
| 1 | CZ | 2014CZ16RFOP001 | Enterprise and Innovation for Competitiveness | MA | Deficiencies on selection of operations were identified (KR2).<br>A warning of corrective measures was issued in April 2023.<br>The suspension decision on expenditure of the Fatra company (part of Agrofert Group) remains in place until the closure (conflict of interest audit). | N | €186.641.179,70 | 0,62% |
| 2 | DE | 2014DE16RFOP004 | OP Brandenburg ERDF 2014-2020 | MA | Deficiencies in management verification (KR4) and audits (KR16) related to public procurement expenditure. A partial financial reservation is in place.<br>A warning for possible interruption of payment deadlines is ongoing, limited to public procurement expenditure - maintained until the OP authorities take the necessary measures. | Partial | €249.037.236,40 | 0,82% |
| 3 | DE | 2014DE16RFOP008 | OP Mecklenburg-Vorpommern ERDF 2014-2020 | AA | Deficiencies identified by a DAC audit on the audit authority's work (on the adequacy of the audits of operations and audit opinion, KR16 and KR18) and a full reservation is in place.<br>The RTER is recalculated above 2% at 3.69% (the DAC audit is still in contradictory procedure at the time of the issuance of the AAR). Subsequent actions to be examined after the analysis of the MS reply to the draft audit report. | Full | €33.391.121,84 | 0,11% |
| 4 | DE | 2014DE16RFOP009 | OP Nordrhein-Westfalen ERDF 2014-2020 | MA | A DAC audit revealed deficiencies in management verifications (KR4) related to public procurement expenditure and therefore a partial reservation is issued.<br>Subsequent actions to be examined after the analysis of the MS reply to the draft audit report (under review at the time of the signature of the AAR). | Partial | €275.109.632,30 | 0,91% |
| 5 | DE | 2014DE16RFOP012 | OP Sachsen ERDF 2014-2020 | AA; MA; IB | Significant deficiencies detected in management verifications (KR4) regarding expenditure declared by research and development projects (ineligible overhead costs) of a large beneficiary | Partial | €684.461.444,30 | 2,26% |

[25] Key requirements (KR) refer to the CPR obligations that must fulfil any management and control system for ERDF/CF or ESF/YEI programmes, as defined in Annex IV, Table 1 of Regulation (EU) No 480/2014 as amended (see annex 5). The Table concerns only those systems entirely assessed as not functioning (and not programmes functioning overall well, except for some part(s) of it).

| # | MS | CCI | Programme Title | Authority concerned | Part of the MCS for which deficiencies were identified (KR) | Reservation Y/N (if Y, see annex 9) | Relevant expenditure 2024 REGIO | % of relevant expenditure 2024 |
|---|---|---|---|---|---|---|---|---|
| | | | | | (Fraunhofer Gesellschaft).<br>Partial financial reservation in place, limited to R&D expenditure of the concerned large beneficiary.<br>Corrective measures to be implemented through the audit follow-up and the assessment of the outstanding closure assurance package. | | | |
| 6 | DE | 2014DE16RFOP013 | OP Sachsen-Anhalt ERDF 2014-2020 | MA; IB | An ECA audit on this OP detected deficiencies in management verifications (KR4) regarding expenditure declared by research and development projects (ineligible overhead costs) of a large beneficiary (Fraunhofer Gesellschaft). Partial reservation in place in relation to expenditure declared for research projects implemented by the concerned large beneficiary. | Partial | €88.422.555,93 | 0,29% |
| 7 | DE | 2020DE16M2RE017 | OP Mecklenburg-Western Pomerania REACT-EU 2021-2022 | MA; IB | Deficiencies in management verifications for financial instruments (KR4), reported in a national audit report.<br>The estimated financial impact is below 10% and the audit authority is actively following up the identified weaknesses and will report back to the Commission on the effective improvements of the affected part of the MCS. No reservation and no measures are therefore proposed but the Commission auditors will assess the effective implementation of the requested measures. | N | €204.279.049,40 | 0,67% |
| 8 | FR | 2014FR16M0OP009 | Regional programme Guadeloupe Conseil Régional 2014-2020 | MA | Deficiencies identified in management verifications carried out by the managing authority (KR4). Improvements were implemented but are expected to only be visible in the accounting year 2024-2025.<br>There is also an on-going action plan to estimate the impact of the lack of incentive effect of a public grant given for a large hotel renovation. | N | €93.944.943,07 | 0,31% |
| 9 | HU | 2014HU05M2OP001 | Human Resources Development Operational Programme | MA | Deficiencies in management verifications by the managing authority (KR4), demonstrated by the repeated high error rates reported under different accounting years.<br>Two ongoing Commission audits could also have an impact on the calculation of the error rate. TER above 10% & RTER above 2%, hence full reservation in place. | Full | €131.524.263,60 | 0,43% |
| 10 | HU | 2014HU16M0OP001 | Economic Development and Innovation Operational Programme | MA | Deficiencies in management verifications (KR4) and the need to demonstrate the effectiveness of reinforced anti-fraud measures (KR7) in some priority axes of the programme (ERDF grants to priority axes 1, 2, 3 and 4) identified by the AA when validating the re-verifications carried out by the managing authority following the national investigation into a corruption network (payment interruption in place). | Partial non-quantified | €0,00 | 0,00% |

| # | MS | CCI | Programme Title | Authority concerned | Part of the MCS for which deficiencies were identified (KR) | Reservation Y/N (if Y, see annex 9) | Relevant expenditure 2024 REGIO | % of relevant expenditure 2024 |
|---|---|---|---|---|---|---|---|---|
| | | | | | In addition a DAC audit raised eligibility issues of staff costs in university projects (under audit contradictory procedure). | | | |
| 11 | IE | 2014IE16RFOP001 | Border, Midland and Western Regional Operational Programme 2014-2020 | AA; MA | In the absence of ACR with updated TER / RTER and further audit information (STEP regulation), the high risk remains as reported last year. Last year's correction is linked to an individual case of public procurement irregularity and an extrapolated correction to bring down the RTER below 2%, which is still under implementation (common sample with the programme below, no expenditure paid in 2024 on this programme). | Full non-quantified. | €3.086.161,53 | 0,01% |
| 12 | IE | 2014IE16RFOP002 | Southern & Eastern Regional Operational Programme | AA; MA | In the absence of ACR with updated TER / RTER and further audit information (STEP regulation), the risk remains as reported last year.<br>Last year's correction is linked to an individual case of public procurement irregularity and an extrapolated correction to bring down the RTER below 2%, which is still under implementation (common sample with the programme above, expenditure paid during the year). | Full | €530.939.099,80 | 1,75% |
| 13 | IT | 2014IT16RFOP002 | National Operational Programme on Infrastructures and Networks | MA | A DAC audit identified deficiencies in management verifications (KR4) of public procurement (irregular direct awards) and RTER recalculated above 2%. The contradictory procedure with the auditee is ongoing. | Full | €192.750.839,50 | 0,64% |
| 14 | LT | 2014LT16MAOP001 | Operational Programme for EU Structural Funds Investments for 2014-2020 | MA; IB | A national audit identified deficiencies in the management verifications (KR4) of compliance with public procurement legislation by the main IB CPMA and other IBs as well (the AA reported a preliminary TER of around 14%, expected to be confirmed in the final assurance package). | Full | €34.762.086,00 | 0,11% |
| 15 | NL | 2014NL16RFOP002 | OP West Netherlands ERDF 2014-2020 | MA | Deficiencies related to public procurement expenditure detected by a DAC audit (preliminary results, contradictory procedure to be launched). | Partial | €253.846.326,70 | 0,84% |
| 16 | PL | 2014PL16RFOP001 | OP Smart growth | IB | Significant deficiencies in measures 1.1.1 and 1.3.1 (NCBiR), with no declared expenditure because of an ongoing interruption warning.<br>Action plan under implementation addressing: depreciation and ineligible costs (ECA audit), conflicts of interest and ineligible costs (two DAC audits).<br>Action plan with corrective actions on-going. | Partial non-quantified | €375.508.212,20 | 1,24% |
| 17 | RO | 2014RO16RFOP001 | Competitiveness Operational Programme | MA | No ACR submitted (STEP regulation). However last year's error rate was high (8.82%) leading to a risk of continued deficiencies leading to irregular expenditure being declared. | N | €1.038.426.754,00 | 3,43% |

| # | MS | CCI | Programme Title | Authority concerned | Part of the MCS for which deficiencies were identified (KR) | Reservation Y/N (if Y, see annex 9) | Relevant expenditure 2024 REGIO | % of relevant expenditure 2024 |
|---|---|---|---|---|---|---|---|---|
| 18 | RO | 2014RO16RFOP002 | Regional Operational Programme | MA | The programme had a material error rate last year, not corrected at the time of the AAR - ongoing process at national level<br>For ITI Danube Delta: three calls for projects affected by deficiencies - investments not maintained in the region - ongoing warning for interruption<br>Ongoing warning of interruption for the allegation of fraud case. | Partial non-quantified | €8.234.683,62 | 0,03% |
| 19 | TC | 2014TC16RFCB001 | Interreg V-A - Belgium-Germany-The Netherlands (Euregio Meuse-Rhin/Euregio Maas-Rijn/Euregio Maas-Rhein) | MA; CA/AF | Deficiencies at CA level (continuous uncertainty of staffing of the CA function which is appointed year by year, latest appointment from January to April 2025). | Full non-quantified | €2.838.720,45 | 0,01% |
| 20 | TC | 2014TC16RFCB031 | Interreg V-A - Lithuania-Poland | AA | Re-calculated TER and resulting RTER >2% for accounting year 2022-2023 because of an error detected on the PL part of the programme but not accepted and incorrectly not extrapolated by the LT programme audit authority. The warning for preventive and corrective measures remains ongoing. | Partial | €0,00 | 0,00% |
| 21 | TC | 2014TC16RFCB051 | Interreg V-A - France (Mayotte-Comores-Madagascar) | MA | Deficiencies in management verifications by the managing authority (KR4). A warning letter for interruption was sent in 2021. The corrective measures are yet to be implemented. | Full non-quantified | €0,00 | 0,00% |
| 22 | TC | 2014TC16RFTN008 | Caribbean Area | MA | Deficiencies in management verifications by the managing authority (KR4). Ongoing procedures not solved (suspension). | Full non-quantified | €0,00 | 0,00% |
| 23 | UK | 2014UK16RFOP002 | United Kingdom - ERDF Gibraltar | AA | A significant project with expenditure amounting to above EUR 1,1 million is considered ineligible. This amount accounts for about 10% of the OP allocation. Given that all programme expenditure has already been certified and paid this irregular amount needs to be recovered. Reservation is maintained until recovery at programme closure. | Full non-quantified | €67.068.932,00 | 0,22% |
| | | | | | **Total:** | | **€4.454.273.242,34** | **14,71%** |

## 2014-2020 List of programmes with deficiencies in the functioning of part of the management and control systems (MCS)

| # | MS | CCI | Programme Title | Authority concerned | Part of the MCS for which deficiencies were identified (KR) | Reservation Y/N | Relevant expenditure 2024 REGIO | % of relevant expenditure in 2024 |
|---|---|---|---|---|---|---|---|---|
| 1 | DE | 2014DE16RFOP011 | OP Saarland ERDF 2014-2020 | MA | Extrapolated financial correction to reduce RTER to 2% was implemented in May 2024 for the accounting year 2022-2023. A national system audit report revealed issues limited to one IB with financial risk between 5% and 10%. The issue is followed through the audit processes. | N | €46.953.926,81 | 0,16% |
| 2 | EE | 2014EE16M3OP001 | Operational Programme for Cohesion Policy Funding 2014-2020 | MA | Deficiencies reported by the AA, limited to measures 6.1.1 and 15.3.3 «Support for reconstruction of apartment buildings". Appropriate corrective actions have already been implemented (5% financial correction on the measure by the national authorities). | N | €111.086.764,00 | 0,37% |
| 3 | SK | 2014SK16M1OP001 | Integrated Infrastructure | MA | Warning of interruption in place ring-fenced to 47 operations impacted by an irregular State aid scheme. No irregular expenditure was declared in accounting year 2022/23. A procedure for net financial correction decision is on-going (decision under review). | N | €739.304.514,60 | 2,44% |
| 4 | TC | 2014TC16RFCB054 | Interreg V-A - Slovenia-Austria | MA | Corrective measures on the Austrian part of the OP for the (non-detected) cartel issues are still ongoing. The reply to the updated corrective measures letter has not yet been received. Partial reservation ongoing. | Partial | €996.903,41 | 0,003% |
| | | | | | **Total** | | **€898.342.108,82** | **2,97%** |

# ANNEX 7G: 2014-2020: Audit authorities with weaknesses and requested improvements ([26])

| # | MS | CCI | Audit authority (AA) or control body concerned | Reasons | Reservation Y/N | Share of total ERDF/CF expenditure audited by AA / control body | Relevant expenditure 2024 REGIO |
|---|---|---|---|---|---|---|---|
| 1 | DE | 2014DE16RFOP004 | Audit authority for Brandenburg ERDF OP | Deficiencies in audit of operations with impact on the reliability of the reported audit opinion (Key requirements 16 and 18) based on a DAC audit which identified a high frequency of undetected irregularities limited to public procurement expenditure. | N | 0,82% | €249.037.236,40 |
| 2 | DE | 2014DE16RFOP008 | EU Financial Control for OP Mecklenburg-Vorpommern | Deficiencies in audit of operations with impact on the reliability of the reported audit opinion (Key requirements 16 and 18) based on a DAC audit which identified undetected irregularities linked to ineligible expenditure, public procurement, incorrect selection of operations. Significant recalculation of the error rate (RTER) from 0.14% to 3.69%. | N | 0,11% | €33.391.121,84 |
| 3 | DE | 2014DE16RFOP012 | Audit authority for OP Sachsen ERDF 2014-2020 | Deficiencies identified in audits of operations (Key requirement 16). The opinion is based on the Commission overall assessment of the functioning of the system and systemic deficiency detected by ECA in verification and audits of overheads declared by a large beneficiary for research projects (Fraunhofer Gesellschaft). | N | 2,26% | €684.461.444,30 |
| 4 | DE | 2014DE16RFOP013 | Audit authority for OP Sachsen-Anhalt ERDF 2014-2020 | Deficiencies identified in audits of operations (Key requirement 16). The opinion is based on the Commission overall assessment of the functioning of the system and systemic deficiency detected by ECA in verification and audits of overheads declared by a large beneficiary for research projects (Fraunhofer Gesellschaft). | N | 0,29% | €88.422.555,93 |
| 5 | NL | 2014NL16RFOP002 | Audit authority for OP West Netherlands ERDF 2014-2020 | The preliminary findings of a DAC thematic audit (before contradictory procedure) revealed systemic errors with financial impact related to insufficient verifications of public procurement and State aid. Despite the significance of the issues found by the Commission audit, the audit authority has never reported over time any related issues. | N | 0,11% | €34.762.086,00 |
| 6 | PL | 2014PL16RFOP001 | Department for Protection of EU Financial Interests<br><br>OP Smart growth | Deficiencies in audit of operations under sub-measure 1.1.1 with impact on the reliability of the reported audit opinion (Key requirements 16 and 18) based on a DAC audit, audit report by the National Supreme Chamber of Control (NIK) and ECA audit. Significant recalculation of the reported error rate (TER) from 0.94% to above 10%. | N | 0,84% | €253.846.326,70 |
| 7 | TC | 2014TC16RFCB031 | Centralised Internal Audit Division (LT) | Deficiencies in audit of operations with impact on the reliability of the reported audit opinion (Key requirements 16 and 18): TER/RTER recalculated by the DAC due to a random error detected by the PL audit authority as control body on the | N | 0,01% | €2.838.720,45 |

([26]) See Annex 5 for description of the key requirements.

| # | MS | CCI | Audit authority (AA) or control body concerned | Reasons | Reservation Y/N | Share of total ERDF/CF expenditure audited by AA / control body | Relevant expenditure 2024 REGIO |
|---|---|---|---|---|---|---|---|
| | | | Interreg V-A - Lithuania-Poland | PL part of the programme, not correctly projected to the population by the programme AA (LT) with significant impact on the reported error rates. | | | |
| 8 | UK | 2014UK16RFOP002 | Office of the Chief Secretary United Kingdom - ERDF Gibraltar | A DAC audit identified weaknesses in the audits of operations carried by the audit authority and undetected irregularities with financial impact (KR16). The issue related to a significant project with expenditure amounting to above EUR 1,1 million which is considered ineligible. | N | 0,00% | €0,00 |
| | | | | **Total:** | | **4,45%** | **€1.346.759.491,62** |

## ANNEX 7H: Actions to improve further the effectiveness of management and control systems and to boost the prevention, detection and correction of errors

Capacity building is an ongoing challenge requiring permanently to refocus and update the action. In the continuity of achievements made, and in order to address weaknesses still identified for some programmes, REGIO will further amplify its efforts towards the target to ensure compliance and a residual risk below materiality for all programmes.

**REGIO offers tailored preventive actions to address the risk of non-detection of errors by the first and second control layers of programmes (managing authorities / audit authorities) and under-reporting of their financial impact**, thereby improving the quality of assurance offered by programme authorities:

- Organising dedicated information sessions, workshop discussions, training material and best practice guidance for managing and audit authorities on the basis of an analysis of the recurrent errors identified for the concerned programmes; Exchanging with audit authorities on the root-causes for not detecting the related errors, and clarifying the basis for an irregularity under the CPR;
- Sharing with programme authorities detailed analysis of the errors found in REGIO/EMPL and ECA audits and divergence against the applicable legal framework;
- Providing an overall analysis comparing the main error types identified by the audit authorities and by REGIO auditors, based on the joint typology of errors;
- Lending assistance and supervision to audit authorities in need of support to arrive at reliable assurance results, providing support for the analysis of specific systemic or recurrent findings;
- Consistently imposing remedial action plans to managing and/or audit authorities in case of deficiencies identified.

**REGIO takes targeted actions to safeguard the reliability of the assurance results presented by audit authorities and addresses high error rates**

- Reviewing thoroughly all error rates reported and re-calculating them in case errors are not detected and/or not sufficiently quantified;
- Providing preventive advice and support to audit authorities (before the annual control report is issued), should the nature and difficulties of the findings so require;
- Analysing the frequency and seriousness of errors found, including cases of systematic low error rates, auditing itself relevant expenditure if its risk assessment reveals the need to perform additional work in order to obtain direct assurance for a programme;
- In case of systemic deficiencies identified, re-calculating the residual error rates and monitoring how the authorities/management and control systems evolve over time;
- Adopting a strict approach to sampling parameters used by audit authorities, however in line with the flexibility offered by existing rules, and to the reporting of possible anomalous errors not extrapolated towards the total error rate.
- Systematically assessing under its compliance audits, when the Commission identifies

additional errors in its re-performed samples, whether such errors can re-occur in the rest of the audit authority's sample and requesting additional audit work where necessary.

- Assessing the reliability of audit authorities not only on the basis of the recalculated error rates (which can be influenced by single errors having an important statistical impact) but on the basis of a number of criteria which, if not satisfactorily assessed, reflect the presence of systemic weaknesses in their work and in the control systems.
- Focussing the audit work on those audit authorities on which REGIO was not yet able to place an adequate level of reliance, for which limited review was performed so far or for which new risks emerged, bearing in mind that a certain level of audit work is to be done for other audit authorities as well, which will ensure the coverage of the main audit authorities over time. In particular, **REGIO and EMPL reviewed their approach to compliance audits 2021-2027 to follow-up on ECA recommendations**, increase the coverage of programmes and audit authorities (including by focusing the audit re-performance on specific aspects of operations considered at risk of not being detected by the audit authority) and **anticipate preventive audits like, for example, on the completeness of audit checklists used by audit authorities** (KR11).

**REGIO takes initiatives to curb the root causes of errors**, in particular by:

- Reinforcing efforts for administrative capacity building through up-dated action plans on public procurement and State aid, peer-to-peer exchanges (open to managing as well as audit authorities) and technical assistance support;
- Facilitating the uptake of simplified cost options (SCO) and financing not linked to costs (FNLC)– radical game-changers for programme error rates - by providing assistance and support to the programme authorities to prepare, implement and assess the SCO schemes for 2021 – 2027 programmes;
- Contributing to predictability based on methodologies approved and agreed with all actors, including with the ECA, taking account of recommendations issued by the ECA; in particular in 2024 **REGIO and EMPL agreed on an action plan with audit authorities**, with a menu of 22 actions possible to address the recommendations issued by ECA or the Commission (DAC) and **improve the reliability of the work and detection capacity of audit authorities** (see box).
- Communicating, increasing trust and dialogue between programme authorities and with the Commission services and promoting simplification at all levels and fight against gold-plating at national / programme level.

**Action plan to enhance detection capacity of the Member States' control systems**

Based on a close collaboration with audit authorities the Commission adopted in December 2024 an action plan. The plan outlines a series of initiatives aimed at boosting the effectiveness of the audit and control processes and error detection capacity. Therefore, it proposes actions to be taken mainly by the audit authorities, but also by managing authorities and their intermediate bodies. The actions proposed target the following categories: dissemination of information to beneficiaries, analysis of errors, enhanced use of IT tools, staff training, enhanced preventive role of audit, adequate checklists, effective audit practices in line with audit standards. The implementation of these actions will be subject to continuous monitoring by the Commission services.

## ANNEX 7I: On-the-spot audit work carried out by REGIO in 2024

The majority of the audits (92%) took place either **fully** or **partly on the spot** (i.e. in the latter case of **hybrid mode** audits, part of the audit work was carried out via desk reviews and videoconferences, complemented by on-the-spot visits). The remaining 8% of audits took place on a fully remote basis. This combination of on-the-spot and remote audit work is aimed to contribute to the greening efforts of the Commission to reduce the carbon emissions of audit missions in line with the Key Performance Indicators foreseen in the DGs' annual management plans whilst it facilitated the efficiency of DAC missions. The DAC auditors also visited some of the selected beneficiaries on the spot.

The audit plan for 2024 covering ERDF and CF mono-fund and/or multi-fund programmes included **82 audits** (69 last year). The DAC performed all the audits planned with respect to the following adjustments:

- **Thematic Audit on Preparation for Closure (Environment OP, EL)**
  This 2024 audit is deferred to 2025 to prioritise the other preparation for closure audit in the audit authority and certifying authority (originally planned in 2025).
- **Two KR 11 Audits**
  Two KR 11 audits in Malta and Slovenia, originally set for 2024, are postponed to 2025 and were replaced instead by KR 11 audits in Denmark and Finland in 2024, as the respective audit authorities confirmed their checklists were ready for review.
- **EPSA Audit on PEACE+ (Ireland – UK/Northern Ireland)**
  Originally scheduled for 2024, this audit on PEACE+ is now moved to 2025 due to a substantial additional allocation and changes in 2024 in the management and control systems of the programme. Instead, the EPSA audit in IE with focus on the JTF, planned for 2025, was anticipated and implemented in 2024.

In particular:

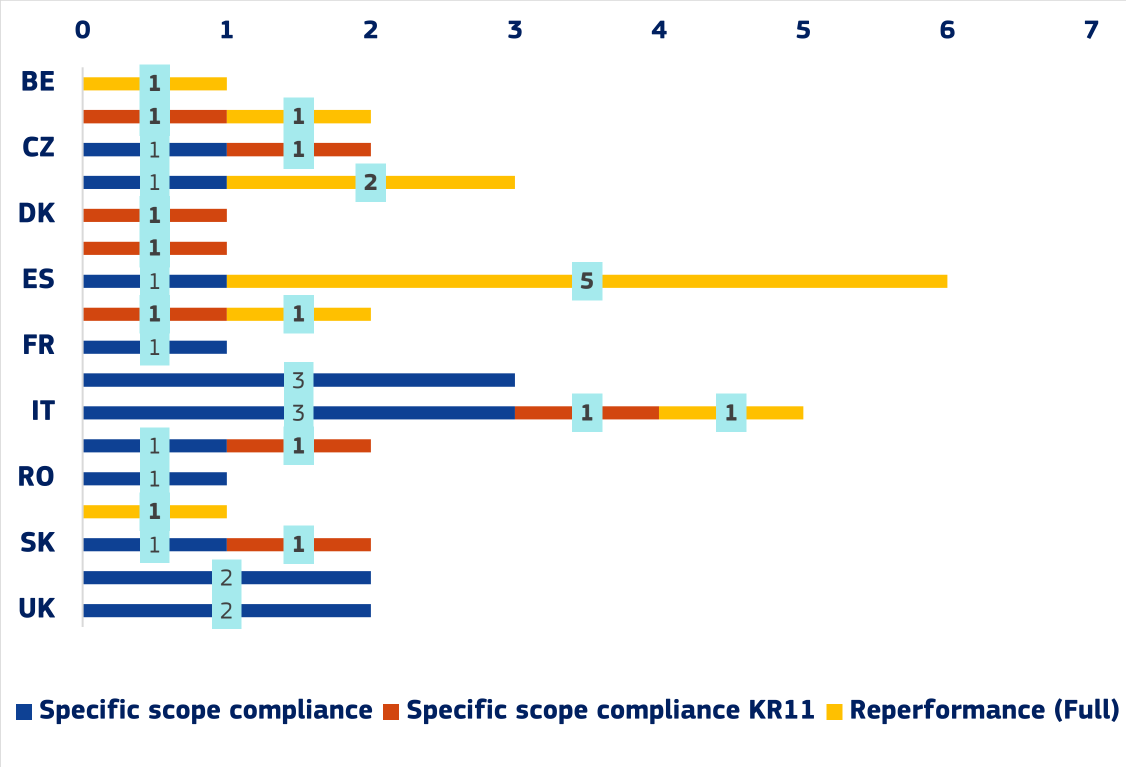
**The DAC carried out 12 full compliance audits** in **seven Member States** covering 12 assurance packages **and 12 programmes**, with a systematic re-performance of at least 8 operations (12 in case of multifund programmes) to assess the reliability of the reported error rates.

**In addition, the DAC carried out 17 specific scope compliance missions** to ascertain the accuracy and reliability of audit results reported in assurance packages. This included the review of limited samples of audits of operations, as follows:

- **Six** specific scope compliance missions carried out preventively **before** the 2024 annual control reports (ACR) were finalised by the audit authorities: **CZ** (to review any possible deficiencies related to CRII/CRII+ expenditure of the OP Employment and the high value of funding, ongoing warning letter, complex structure of the OP Enterprise and Innovation for Competitiveness & OP Technologies and Application for Competitiveness); **ES** (review of the AA work, clarification of some points that could affect the assurance packages, and visit to the Intervención General de la Ciudad Autónoma de Melilla to review the follow-up of the recommendations issued in a prior DAC audit; **FR** (programme Guadeloupe et St Martin Etat for preventively reviewing the preliminary audit results); **IT** (joint audit with IGRUE on programme Legalità, a 2014-2020 programme never audited by DAC so far); **DE** (OP Sachsen-Anhalt never audited since 2021— and to assess the situation following the recent change in the Head of the audit authority); **Interreg** common sample on various 2021-2027 programmes (on-going, results will be available on time for the AAR).

- **Seven** specific scope compliance missions **after** having received the **ACRs** to tackle specific risks identified during the assessment of reported information and obtain clarifications on the ACRs at **post ACR** period: **HU** (limited reperformance across various programmes and priorities); **PL** (assess the AA work on irregularities identified on umbrella schemes, prevention of CoI and undetected errors found by ECA audit in the SoA 2023); **SK** (high value of funding, ongoing warning letters due to the impact of the systemic State aid error and past deficiencies identified in the area of public procurement); **RO** (review of the AA work on public procurement in the regional OP); **Interreg RO-BG** (partial re-performance in risky areas identified); **UK** / England (financial instruments, durability of operations and reconciliation of expenditure put under ongoing assessment); **UK** / West Wales and The Valleys and East Wales (verification of compliance with public procurement rules, State aid and environmental rules).
- **Four** specific scope compliance missions to address specific issues in the work of audit authorities: **2 HU** (one limited reperformance audit related to quality of project outputs and results and durability of projects after their implementation; limited reperformance of audit authority's work carried out at call level, OP Ginop Plusz); **2 IT** (one mission on the quantification of irregularities resulting from the unjustified limitation of subcontracting in Toscana & Emilia Romana; one mission in Liguria with limited review of the audit authority's work, never subject to a DAC compliance audit).

**Breakdown of REGIO Compliance audits per Member State**




As a result of **its 29 compliance audits for ERDF/CF covering 34 assurance packages and 39 programmes** (12 full reperformance and 17 specific scope), the DAC identified further irregularities to the ones detected by audit authorities **in 7 assurance packages** covering 7 programmes (21% of the ACRs reviewed or 18% of the OPs covered) [27]. This **led to a re-calculated residual risk at** this stage of the contradictory procedures, **above 2% in four cases (2 ES Canary Islands and La Rioja, 1 IT Lombardia, 1 DE Mecklenburg-Vorpommern).**

These results are much less than the ones reported by ECA in its annual report, but still show a high frequency of additional errors not correctly detected and considered in the error rate calculated by the audit authorities. The impact on the recalculated error rates is however limited in three cases and does not fundamentally question the reliability of their audit work for ERDF/DF programmes, but more significant for the four programmes listed above where the DAC recalculated a RTER% above the acceptable materiality level of 2% (from an error rate initially reported by the concerned audit authorities below 2%).

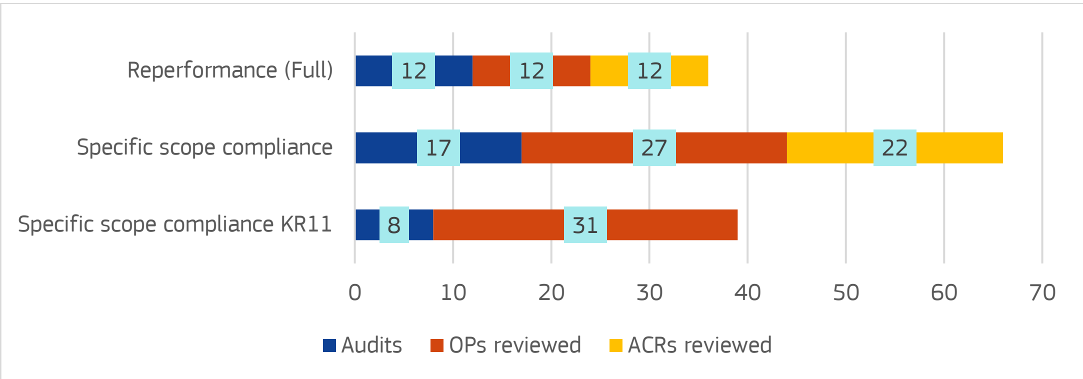
The preventive audits on KR11 (completeness of checklists) carried out in 2024 and planned to be continued in 2025, will further contribute to reducing the risk of non-detection of errors. Moreover, as recommended by ECA in its 2024 annual report, the DAC has agreed with the audit community an **extensive action plan** to be implemented by each authority, with the objective to cover the possible gaps (audit tools, knowledge, training, capacity...) and reduce the risk of non-detection of errors.

(27) With respect solely to the full reperformance audits, this represents 58% of ACRs and OPs audited

**In 2024, eight KR11** audits were indeed carried out to review the design and completeness of the audit checklists used by audit authorities at the start of the 2021-2027 period, and when possible, their effective use in audits of operations. In particular:

- In IT overall the audit results were positive, as most of the control points/questions included in the Commission's checklists are present in the checklists developed by IGRUE.
- In PL the audit was overall positive on the completeness of questions asked by audit teams, but the audit checklists lack some elements such as: legal basis per question, instructions on the evidence to be collected and stored, and documents and cross-references to audit files and document.
- In CZ the audit showed that further improvements are needed to update and complete checklists, for example in relation to public procurement, State aid and fraud, and avoid the risk of non-detection of certain issues (as identified by ECA and DAC audits).
- In SK the KR11 audit revealed that the separation between system audits and audit of operations is not clear (with risk of overlapping questions), whereas issues were also identified on audit documentation and checklist related to State aid, public procurement, SCOs and Financial Instruments.
- In DK the AA uses the standard checklists circulated by the DAC which include several tabs for specific areas of verification. Not all questions include all basic elements recommended in the EC Reflection paper on audit documentation, however the checklists were found to be complete.
- For BG, FI and EL the preliminary findings are under preparation and will be finalised prior to the AAR exercise.

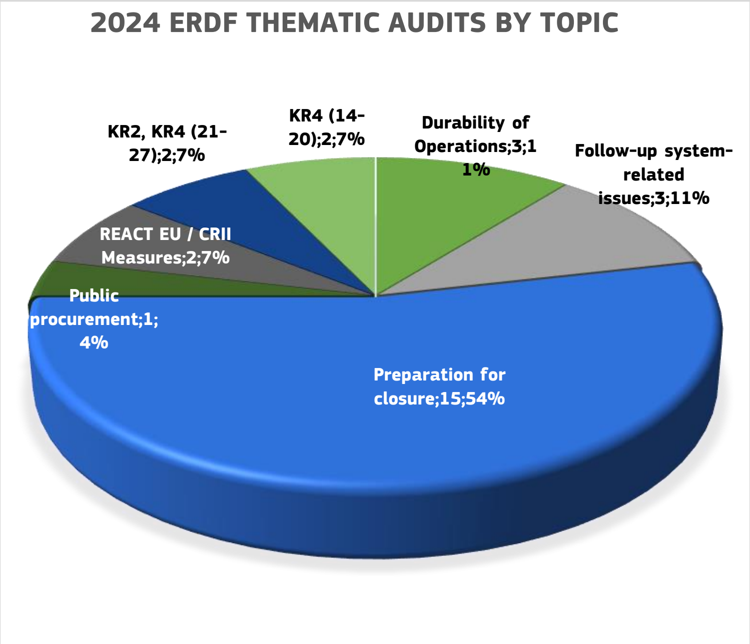
**Breakdown of REGIO Audits, OPs and ACRs reviewed**




In 2024 the DAC also carried out **28 thematic audits** in various areas considered for ERDF/CF to be risky. In particular the DAC carried out:

- **Fifteen** audits **on the preparation for closure: 2 HU** on risks related to Priority 4 and late calls in Territorial and settlement development OP & Human Resources Development Operational Programme; **2 PL** in Pomorskie and Łódzkie and in Podkarpackie; **1 FR** in Corse (need to update the risk mapping, no specific procedure on revenue generation and post-closure impact); **1 SK** (IROP), **1 SI** (staffing issues in the AA); **1 LV** in Growth and Employment OP (measures and risks not adequately covered by AA audits); **1 PT; 2 DE** (one in Berlin and another in Nordrhein-Westfalen with deficiencies in management verifications of public procurement and conflicts of interest); **2 IT** (on National OP Infrastructures and Networks due to low implementation and in Lazio with focus on Financial Instruments); **1 CZ** (OP Transport, eligibility of VAT, revenue-generating projects and major projects); **1 EL** (draft report showing actions needed from the Greek authorities until the submission of the final accounts is under preparation).

- **Three** audits to assess measures in place to verify the **durability** of operations (HU (2) and RO);
- **Three** follow-up of **system related issues:** in **DE** (review of management verifications on direct s and indirect staff and material cost for research and development projects implemented by the Fraunhofer-Gesellschaft); in **ES** (review of DECA or grant agreements) and in **IT** (sub-contracting).
- **Two** audits of **REACT EU** and **CRII+** measures (IT National OP Governance and HU EDIOP) due to the relative importance of related allocations;
- **One** public procurement audit in DE Brandenburg (insufficient checks performed).

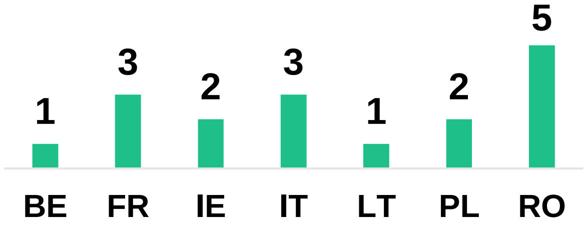



- **Four** audits on selection of operations (KR2) and management verifications (KR4) were initiated / performed. Two concerned 2014-2020 with a view to closure and the upcoming period (EL Competitiveness OP and FR Guyane Conseil Régional) and two 2021-2027 (CZ OP TAC to evaluate the risk that deficiencies from the previous programming period may persist in the new period and PL OP FENG, the successor of the Smart Growth OP, to verify that risks related to the selection of ineligible projects that do not meet the selection criteria or with insufficient level of innovation are appropriately tackled).

In 2024, the DAC conducted also **17 early preventive system audits** (EPSAs) to reinforce a proactive approach at the initial stages of the programming period. These audits primarily focused on:

- The organisational set-up of programme authorities (KR1);
- The selection of operations (KR2) at this early stage of implementation; and
- The procedures established to ensure effective risk-based management verifications (KR4) based on meaningful risk assessments.

Additionally, the EPSAs examined substantial changes in management and control systems while also addressing the follow-up of specific issues previously identified in national preventive system audits.




The chart beside illustrates the 17 EPSA audits conducted by the DAC. Notably, none of these audits identified serious deficiencies.

## ANNEX 7J: Preventive measures of the Common Provisions Regulation (28): Articles 83 and 142 (2014-2020) and Articles 96 and 97 (2021-2027)

The measures under Article 83 (interruption of the payment deadline) and 142 (suspension of payments) of CPR for the 2014-2020 period and Article 96 (interruption of the payment deadline) and 97 (suspension of payments) of CPR for the 2021-2027 period aim to remedy to deficiencies in the setup and functioning of management and control systems with the aim to prevent these systems from generating irregular expenditure in future. Thus, these measures are called "preventive".

### *Payments are interrupted when serious deficiencies / irregularities are identified (Art. 83 CPR)*

REGIO follows a prudent and balanced approach regarding interruption of payments that protects the EU budget. REGIO applies a common approach to interruptions of payments with EMPL which is strict but proportionate, considering the annual acceptance of accounts and the 10% retention on reimbursement of interim payments until accounts are accepted. This means that as soon as serious deficiencies in the management and control system are reported, or risk of irregularities are alerted, payments are interrupted (stopped) where the deficiency would require a correction higher than the 10% retention, or where the individual irregularity would have serious financial consequences. For the 2021-2027 period, the retention rate on shared management payments has been reduced from 10% to 5%. Despite this change, the core principles have remained unchanged.

If no payment claim was submitted to REGIO by the time the serious deficiency / risk of irregularity had been detected, a warning letter of possible interruption of payment deadlines (in case a payment claim would be introduced) is sent to the Member State (7 new cases in 2024 for 2014-2020 and 2 new cases for 2021-2027).

In 2024, payments were interrupted for 1 new programme (8 new programmes interrupted in 2023). The total new interrupted volume amounted to slightly more than EUR 3 million (some EUR 88 million carried over from 2023). By the end of 2024, remedial actions implemented by the concerned programmes or additional verifications allowed to lift interruptions for four programmes (one new one and three carried over from 2023), leaving no interrupted payments by the end of 2024. All these interruptions were related to the 2014-2020 period, as no payments were interrupted for the 2021-2027 period in 2024.

### *Warning of preventive and/or corrective measures letters are also sent when risks linked to serious deficiencies or irregularities are covered by the retention*

When system deficiencies or irregularities are identified with an estimated risk to the EU budget above 5% but less than the 10% retention threshold for the 2014-2020 period, for the 2021-2027 period just below or equal to 5%, REGIO still sends a warning letter requesting preventive and corrective measures to the concerned programmes. In such cases, the Member State is requested to

(28) For 2014-2020 Common Provisions Regulation 1303/2013 and for 2021-2027 Common Provision Regulation 2021/1060.

take the necessary preventive and/or corrective measures to make financial corrections and improve the system, so that sufficient assurance is provided that expenditure included in the next accounts is not materially misstated. Overall, in 2024, 12 new programmes received a letter requesting the implementation of preventive and/or corrective measures (8 for 2014-2020 and 4 for 2021-2027). The effective implementation of the required remedial actions by the programme authorities allowed the Commission services during the same period to close such warnings for 19 programmes. In case the deficiency still persists at the moment of settling the accounts, and in case the balance would be positive, the warning may be transformed into a formal interruption of payments to speed up the implementation of the requested measures. There were no such cases for ERDF/CF in 2024.

### *Suspension procedures are opened when required based on the CPR requirements (Article 142 for the 2014-2020 period or Article 97 for the 2021-2027 period)*

The Commission needs to take a decision to suspend payments to a programme when a serious system deficiency or irregularity are confirmed or was not solved within 6 months (possibly extended by 3 months at the request of the Member State) following an interruption of payments.

In 2024, the suspension decision from 26 January 2022 for the Czech OP Enterprise and Innovation for Competitiveness remained in place, as well the suspension decision from 19 June 2023 for the European territorial co-operation OP Caribbean Area.

No new suspension decisions were adopted for either of the two reported periods in 2024.

For the 2014-2020 period, with respect to the reliability of the monitoring system or of the data on common or specific indicators, a reason quoted under Article 142 CPR to enter into suspensions, no suspension decision was needed to be adopted in 2024.

The table below shows the number of warnings of corrective measures, warning of possible interruption, interruptions, pre-suspension letters and suspensions issued by the Commission in 2024 and early 2025 for both periods.

| | Warning letter of corrective measures | Warning of possible interruption of payment | Interruption of payment | Pre-suspension letters | Suspensions |
|---|---|---|---|---|---|
| **2024** | 11 | 9 | 1 | 0 | 0 |
| **Until end of Q1 2025** | 1 | 0 | 0 | 0 | 0 |
| **Lifting of previous years' cases** | 19 (+2 until end of Q1 2025) | 15 (+2 until end of Q1 2025) | 4 | 1 | 0 |

Details on individual cases are presented below.

### *Number of letters issued in 2024 by REGIO to initiate preventive measures*

| | Warning letters of preventive and/or corrective measures | Warning letters of possible interruption | Interruption letters | Pre-suspension letters | Suspension decisions |
|---|---|---|---|---|---|
| BE | | 2 | | | |
| CZ | 1 | | | | |
| DE | 2 | 1 | | | |
| ES | | 1 | | | |
| FR | 1 | | | | |
| EL | | 2 | | | |
| HU | 1 | | | | |
| PL | 2 | 2 | 1 | | |
| TC (including ENI-CBC) | 4 | 1 | | | |
| **Total** | **11** | **9** | **1** | **0** | **0** |

### *Number of letters in Q1 2025*

| | Warning letters of corrective measures | Warning letters of interruption | Interruptions of payment | Pre-suspension letters | Suspension decisions |
|---|---|---|---|---|---|
| TC | 1 | | | | |
| **Total** | **1** | **0** | **0** | **0** | **0** |

### *Interruptions issued in 2024*

| | MS | Region/ Operational programme | CCI N° | DATE | AMOUNT (EUR) | DATE of LIFTING | Main weaknesses identified |
|---|---|---|---|---|---|---|---|
| 1 | PL | Kujawsko-Pomorskie Voivodeship | 2014PL16M2OP002 | 14.10.2024 | 3 142 855 | 10.12.2024 | Significant deficiency in relation to ERDF, affecting the managing authority and key requirement 4 “adequate management verifications” |

### *Warning letters of possible interruption sent in 2024*

| | MS | CCI N° | Title | Date of letter | Lifting letter | Main weaknesses identified |
|---|---|---|---|---|---|---|
| 1 | BE | 2021BE16FFPR001 | Wallonia 2027 – BE – ERDF/JTF | 29.2.2024 | N/A | Deficiencies identified by the AA related to management verifications of compliance with the State aid rules by three directorates. The audit authority estimates the potential impact/amount to be 17% of the total programme allocation |
| 2 | BE | 2014BE16RFOP003 | Wallonia | 30.1.2024 | 19.12.2024 | Deficiencies identified by the AA related to management verifications of compliance with the State aid rules by three directorates. The audit |

| | MS | CCI N° | Title | Date of letter | Lifting letter | Main weaknesses identified |
|---|---|---|---|---|---|---|
| | | | | | | authority estimates the potential impact/amount to be 17% of the total programme allocation |
| 3 | DE | 2014DE16RFOP004 | Brandenburg | 20.9.2024 | N/A | Following a DAC audit, weaknesses at the level of the audit authority and the managing authority (public procurement, State aid). Recalculated error rate at this stage: TER/RTER -8.47%/7.64% for the accounting year 2021-2022. The same weaknesses cannot be excluded in the accounts 2022-2023.<br>Significant deficiencies related to public procurement verifications (e.g. discriminatory or restrictive criteria, unjustified choice of procurement procedure). |
| 4 | ES | 2014ES16RFOP019 | Murcia | 18.7.2024 | 7.11.2024 | ACR 2024 - TER 23,92%, KR4, contracts awarded under emergency procedures |
| 5 | EL | 2021EL16FFPR004 | Transport – EL – ERDF/CF | 13.6.2024 | N/A | EPPO raised charges against 23 suspects for crimes relating to the execution of a contract aiming to restore the remote traffic control and signalling system of the Athens-Thessaloniki-Promachonas railway section |
| 6 | EL | 2014GR16M1OP001 | Transport Infrastructure, Environment And Sustainable Development | 11.6.2024 | N/A | EPPO raised charges against 23 suspects for crimes relating to the execution of a contract aiming to restore the remote traffic control and signalling system of the Athens-Thessaloniki-Promachonas railway section |
| 7 | PL | 2014PL16M2OP014 | Warmińsko-Mazurskie Voivodeship | 4.6.2024 | 5.12.2024 | National system audit report - irregularities in the selection of operations (KR2), 18,16% error rate in the AA sample |
| 8 | PL | 2014PL16M2OP002 | Kujawsko-Pomorskie Voivodeship | 4.6.2024 | N/A | DAC audit - significant irregularity related to two ERDF projects, affects the managing authority's management verifications (KR4) |
| 9 | TC | 2014TC16RFCB001 | Euregio Meuse-Rhin/Euregio Maas-Rijn/Euregio Maas-Rhein | 18.3.2024 | 16.5.2024 | Assurance package for 2022-23 not submitted |

## ANNEX 7K: 2014-2020 ERDF / CF Programmes: Financial corrections applied by the Member States, including at the request of the Commission

In shared management, programme managing authorities are required to prevent irregularities by not declaring expenditure found to be irregular in interim payment applications submitted to the Commission. For this purpose, appropriate management verifications need to be carried out before validating expenditure submitted by beneficiaries. Management verifications however continue even after declaring expenditure to the Commission during the accounting year (for ex. risk-based on the spot visits to operations) and up to the preparation of the programme annual accounts to be submitted to the Commission by 1 March at the latest, when the programme certifying authority formally certifies to the Commission that expenditure entered in the accounts is legal and regular.

The programme audit authorities audit a statistical sample of operations declared during the accounting year to the Commission. The errors found, including extrapolated errors above 2%, are withdrawn by programme authorities before submitting the accounts.

Considering the multi-annual programming in cohesion and the fact that irregularities or other clerical errors are corrected before the legality and regularity of expenditure is formally certified to the Commission in the accounts, these financial corrections can be considered as **preventive measures safeguarding the EU budget**. Corrections intervening after accounts are submitted, identified by the Member States or at the request of the Commission, constitute **corrective measures** and are implemented in interim payment applications of subsequent accounting years.

***Financial corrections reported by the programme authorities in the annual accounts***

**For safeguarding the EU budget, Member States implement financial corrections during the year and at the latest in the accounts** following verifications, audits and investigations which take place throughout the accounting year. These financial corrections are implemented in interim payment applications (column A in the table below) or at the latest in the accounts (column B in the table below). These implemented corrections result mainly from management verifications and audits carried out at national level, but also from the Commission's own audits and its follow-up to ECA audits or OLAF investigations. Programme authorities can also temporarily withdraw from the accounts expenditure the legality and regularity of which is subject to an ongoing assessment, so that only legal and regular expenditure is certified ([29]). No such temporary deductions can any longer be reported for the last accounting year (2023-2024) of the 2014-2020 period. The CPR also specifically foresees that corrections resulting from audits from the programmes' audit authorities are indicated separately in the accounts appendices, while all other amounts of corrections and temporary withdrawals are reported together (and therefore can only be reported as a global amount by the Commission).

The tables below (for 2023-2024 programme accounts and cumulative) list the withdrawals and recoveries from interim claims ("Corrective") and the deductions from accounts ("preventive"),

([29]) 2014-2020: Article 137(2) CPR.
2021-2027: Article 98(5)(b) CPR.

column A [30], and the amounts of financial corrections stemming from the irregularities detected during the audits of operations by audit authorities (column B) for the programming periods 2014-2020 and 2021-2027 respectively. Amounts are in EU contribution. To be noted that due to the STEP amendment to the CPR, most programmes decided to postpone the submission of the last assurance packages (and accounts) after this AAR (see AAR part 2), leading to much lower amounts of expenditure certified or corrected / withdrawn than in previous years (full picture for the last accounting year to be obtained in the 2025 AAR).

**2014-2020 ERDF/CF contributions withdrawn / deducted from accounts* (accounting year 2023-2024)**

| MS | Total deductions (withdrawals, recoveries and deductions) | Out of which financial corrections resulting from audits of operations (by audit authorities) |
|---|---|---|
| | A | B |
| BG | 32.26 | - |
| CZ | 10,971,603.68 | 6,762.79 |
| DE | 22,403,462.33 | 107,579.82 |
| FR | 5,083,710.37 | 1,116,881.42 |
| IT | 1,807,313.61 | 109,774.69 |
| PL | 9,100,110.07 | 3,593.92 |
| RO | 217,314.05 | 40,006.53 |
| SE | 167,520.56 | 112,844.94 |
| TC | 2,273,013.93 | 786,589.91 |
| UK | 77,960,080.15 | 19,155,861.76 |
| **Total** | **129,984,161.02** | **21,439,895.78** |

(30) For the last accounting year, the corrections cannot be classified as preventive or corrective, as this distinction cannot be made in the final accounts (no further action possible after the submission of the final accounts in next payment applications or subsequent accounts).

| **2021-2027 ERDF/CF contributions withdrawn / deducted from accounts* (accounting year 2023-2024)** | | | | |
|---|---|---|---|---|
| MS | **Withdrawals from interim claims ("corrective")** | **Deductions from accounts ("preventive")** | **Total deductions included in the accounts** | **Out of which financial corrections resulting from audits of operations (by audit authorities)** |
| | **A** | **B** | **C= (A+B)** | **D** |
| CZ | 15,415.06 | 18,655,055.80 | 18,670,470.86 | 339,858.49 |
| EE | - | 936,477.36 | 936,477.36 | - |
| EL | - | 13,094,352.97 | 13,094,352.97 | 2,631,153.75 |
| FR | - | 2,412,196.03 | 2,412,196.03 | 2,412,196.03 |
| HU | 8,131,071.35 | 396,154,819.98 | 404,285,891.33 | 43,539,797.76 |
| IT | - | 229,685.04 | 229,685.04 | 46,259.05 |
| LT | 24.77 | 7,778,269.79 | 7,778,294.56 | 11,729,153.62 |
| PL | 3,741.37 | 14,895,136.35 | 14,898,877.72 | 99,740.81 |
| SE | - | 84,240.00 | 84,240.00 | - |
| TC | 938.21 | 125,134.66 | 126,072.87 | 459.48 |
| **Total** | **8,151,190.76** | **454,365,367.98** | **462,516,558.74** | **60,798,618.99** |

*amounts refer to EU contribution

**For the programming period 2014-2020**, in the accounts related to the accounting year 2023-2024 the total expenditure, certified in the accounts is EUR 6.8 billion. The lower amount certified in accounts (and the related reduction in corrections applied), compared to previous years, is corelated with the possibility provided to the Member States under the STEP amendment to the CPR to submit the final assurance packages by 15 February 2026 ([31]) instead of 1 March  2025. The programme authorities directly **deducted EUR 130 million EU contribution) from payment applications and in the accounts. These deductions protect the EU budget** as they result from

(a) **continued management verifications** after the end of the accounting year and until submission for the accounts;

(b) **audits of operations by audit authorities (EUR 21.4 million EU contribution)**;

(c) **financial corrections implemented at the request of the Commission (EUR 52.6 million EU contribution)** as a follow-up to its own audits, ECA audits or OLAF investigations.

Such implemented financial corrections and temporary deductions ([32]) from the annual accounts, are therefore **a powerful tool to protect the EU budget**, year after year. Since the beginning of the programming period 2014-2020, Member States **deducted cumulatively EUR 16.2 billion EU**

([31]) Article 14(4) of Regulation (EU) 2024/795 "Amendments to Regulation (EU) No 1303/2013: in Article 138, the following subparagraph is added: 'By way of derogation from the deadline set out in the first subparagraph, Member States may submit the documents referred to under points (a), (b) and (c) for the final accounting year by 15 February 2026.'."

([32]) Amounts previously declared and temporarily withdrawn in accounts in view of the further assessment of their legality and regularity in application of Article 137(2) CPR. Such deductions do not exist in the final accounts covering the accounting year 2023-2024.

**contribution** of definitive corrections and temporary deductions in the accounts, including **EUR 2.7 billion EU contribution** of financial corrections implemented as a result of the audit authorities' work.

| **2014-2020 ERDF/CF contributions withdrawn / deducted from accounts (cumulatively up to the 2023-2024 accounting year)** | | | | |
|---|---|---|---|---|
| **MS** | **Withdrawals and recoveries from interim claims ("corrective")** | **Deductions from accounts "preventive")** | **Total deductions included in the accounts** | **Out of which financial corrections resulting from audits of operations (by audit authorities)** |
| | **A** | **B** | **C=(A+B)** | **D** |
| AT | 3,213,488.78 | 202,693,743.08 | 205,907,231.86 | 19,547,743.79 |
| BE | 7,824,326.55 | 52,246,545.86 | 60,070,872.41 | 10,916,424.71 |
| BG | 35,289,417.02 | 67,544,903.68 | 102,834,320.70 | 50,499,305.90 |
| CY | 591,874.30 | 1,370,687.59 | 1,962,561.89 | 969,373.29 |
| CZ | 61,887,121.74 | 311,786,029.71 | 373,673,151.45 | 38,526,855.37 |
| DE | 58,245,661.93 | 345,701,312.73 | 403,946,974.66 | 102,116,493.48 |
| DK | 4,623.22 | 23,377,195.79 | 23,381,819.01 | 0.00 |
| EE | 6,936,540.29 | 469,821,910.52 | 476,758,450.81 | 5,628,087.53 |
| ES | 298,989,888.45 | 2,070,203,124.04 | 2,369,193,012.49 | 523,587,776.58 |
| FI | 7,453,198.05 | 48,914,515.80 | 56,367,713.85 | 341,526.33 |
| FR | 34,941,078.12 | 316,799,326.48 | 351,740,404.60 | 221,873,778.01 |
| GR | 67,564,215.30 | 783,395,280.42 | 850,959,495.72 | 183,266,875.07 |
| HR | 74,929,166.23 | 75,257,110.76 | 150,186,276.99 | 15,573,527.65 |
| HU | 482,232,276.66 | 3,682,535,237.41 | 4,164,767,514.07 | 75,813,919.87 |
| IE | 16,000,312.82 | 14,592,326.12 | 30,592,638.94 | 5,567,760.37 |
| IT | 133,557,847.06 | 834,247,515.37 | 967,805,362.43 | 203,424,965.95 |
| LT | 120,151,216.98 | 469,025,860.85 | 589,177,077.83 | 26,794,535.33 |
| LU | 0.00 | 1,729,087.05 | 1,729,087.05 | 0.00 |
| LV | 16,600,114.96 | 257,277,328.85 | 273,877,443.81 | 8,144,402.40 |
| MT | 12,340,482.96 | 5,992,728.99 | 18,333,211.95 | 537,958.67 |
| NL | 710,768.67 | 5,167,204.63 | 5,877,973.30 | 2,926,789.94 |
| PL | 141,125,408.98 | 1,583,214,048.18 | 1,724,339,457.16 | 68,359,207.99 |
| PT | 189,645,737.56 | 465,925,504.00 | 655,571,241.56 | 362,903,392.52 |
| RO | 101,419,884.44 | 704,075,436.63 | 805,495,321.07 | 244,916,094.31 |
| SE | 641,433.51 | 7,440,852.62 | 8,082,286.13 | 882,880.46 |
| SI | 13,422,293.92 | 182,216,230.06 | 195,638,523.98 | 6,857,171.35 |
| SK | 145,627,398.53 | 776,009,080.88 | 921,636,479.41 | 225,490,855.27 |
| TC | 13,075,568.39 | 109,865,234.56 | 122,940,802.95 | 218,549,260.55 |
| UK | 91,567,947.89 | 190,981,045.85 | 282,548,993.74 | 114,583,858.77 |
| **Total** | **2,133,086,460.71** | **14,059,406,408.51** | **16,192,492,869.22** | **2,738,600,821.45** |

| 2021-2027 ERDF/CF contributions withdrawn / deducted from accounts (cumulatively up to the 2023-2024 accounting year) | | | | |
|---|---|---|---|---|
| **MS** | **Withdrawals from interim claims ("corrective")** | **Deductions from accounts "preventive")** | **Total deductions included in the accounts** | **Out of which financial corrections resulting from audits of operations (by audit authorities)** |
| | **A** | **B** | **C=(A+B)** | **D** |
| CZ | 15,415.06 | 18,655,055.80 | 18,670,470.86 | 339,858.49 |
| EE | - | 936,477.36 | 936,477.36 | - |
| EL | - | 13,094,352.97 | 13,094,352.97 | 2,631,153.75 |
| FR | - | 2,412,196.03 | 2,412,196.03 | 2,412,196.03 |
| HU | 8,131,071.35 | 396,205,538.12 | 404,336,609.47 | 43,590,515.90 |
| IT | - | 229,685.04 | 229,685.04 | 46,259.05 |
| LT | 24.77 | 7,778,269.79 | 7,778,294.56 | 11,729,153.62 |
| PL | 3,741.37 | 14,895,136.35 | 14,898,877.72 | 99,740.81 |
| SE | - | 84,240.00 | 84,240.00 | - |
| TC | 938.21 | 125,134.66 | 126,072.87 | 459.48 |
| **Total** | **8,151,190.76** | **454,416,086.12** | **462,567,276.88** | **60,849,337.13** |

### ***Financial corrections imposed by REGIO to programmes and implemented by the Member States in the annual accounts***

The corrective mechanism under cohesion policy provides incentives for the Member States to carry out appropriate and timely financial correction before submitting accounts to the Commission, so that they can re-use the corresponding allocations (if conditions under Article 145(7) CPR do not apply). The Commission services have also provided clear guidance to ensure that expenditure is duly withdrawn before submitting accounts, when doubts are raised about its eligibility (under Article 137(2) CPR).

REGIO, through its audit and supervisory role, contributes to the above preventive and corrective mechanisms. In particular, for 2014-2020 **EUR 909,5 million** ([33]) of **financial corrections** (in EU contribution) were **requested by REGIO since the beginning of the programming period through its audit activity and accepted by Member States** (at the stage of the audit, through the audit follow-up cycle or at any stage of formal financial correction procedures). This comprises corrections resulting from (amounts in EU contribution):

(i) its own audits: **EUR 773.8** million;
(ii) the Commission's follow-up to ECA audit: **EUR 60.7** million;
(iii) the Commission's follow-up to OLAF investigations (related to the programming period): **EUR 75 million**;

([33]) The increase compared to last year is explained by additional corrections in the year and from previous years not covered by last year's reporting.

(iv) in addition, corrections required to ensure risk at closure below 2% for all programmes: **EUR 383 million** (34) (see details in the table in the next page below).

For 2021-2027 programming period, no financial corrections have been implemented so far following Commission and ECA audit work.

The reported amounts represent **REGIO's corrective capacity thanks to the Commission and ECA's audit work** (which is included in the total deductions from the accounts, column C in the above cumulative table).

| | Preventive Measures (m EUR) | Corrective measures (m EUR) |
|---|---|---|
| **Implemented by the Member States** | **454.4** | **138.1** |
| **of which from Member States controls** | **454.4** | **85.5** |
| ERDF, CF, IPA 2014-2020 | - | 77.3 |
| ERDF, CF, JTF, NDICI, IPA 2021-2027 | 454.4 | 8.2 |
| **of which from EU controls** | **-** | **52.6** |
| ERDF, CF, IPA 2014-2020 | - | 52.6 |
| ERDF, CF, JTF, NDICI, IPA 2021-2027 | - | - |
| **Implemented by the Commission** | **-** | **139.3** |
| **of which from Member States controls** | - | - |
| ERDF/CF 2007-2013 | - | - |
| **of which from EU controls** | **-** | **139.26** |
| ERDF/CF 2007-2013 and previous periods | - | 139.26 |
| Direct Management | - | - |
| Indirect Management | - | - |
| **REGIO TOTAL** | **454.4** | **277.4** |

Out of the total of EUR 139,2 million financial corrections implemented in 2024 in respect of the pre-2014 programming periods, EUR 25.5 million were implemented by recovery orders, EUR 22.7 million by decommitment and EUR 91 million by deduction at closure.

**The CPR requires REGIO to launch financial correction procedures** each time it concludes that the national authorities failed to apply corrections in first instance, for example when it has concluded that **the confirmed residual total error rate for a programme remains material**. Such procedure is however preceded by administrative (audit follow up) steps, to ensure that the Commission conclusion is based on solid grounds.

In relation to **previous accounting years for 2014-2020** and with respect to remaining residual error rates above 2% reported in previous AARs, the below table shows the **additional financial**

(34) This amount cannot be added to the amounts of corrections following EC and ECA audits as they might have the same source and would therefore be counted twice.

**corrections that** were carried out by REGIO, **allowing to reach an overall "risk at closure" below 2% for each accounting year** (even if not for each individual programme yet, pending on-going contradictory procedures). **REGIO's complementary multiannual corrective capacity is effectively bringing the risk at closure below 2% over time** (although taking some time due to the requirements to apply strict contradictory procedures), as indicated in previous[35]).

The next table shows the evolution of KPI5 towards the estimated risk at closure in a given accounting year considering the contradictory procedures for those programmes with a confirmed residual total error rate above 2%. It shows that **for all previous accounting years the risk at closure is, at this moment of the contradictory procedure with Member States, already below materiality**.

To get an exact risk at closure, the calculation of the KPI 5 is performed by updating for the programmes with a confirmed AAR above 2% the RTER without the impact of financial instrument advances. For example, if a programme at the moment of publication of the AAR 2020 had a RTER of 3% and now has implemented the required financial corrections to bring the RTER to 2%, the updated RTER (without impact of FIs) is fed into the calculation. Alternatively, additional audit work may have been carried out to confirm or otherwise clarify (reduce/increase) the TER/RTER reported at flat rate (or the conservative value before the end of the contradictory procedure) in the previous AAR. The RTER is not updated systematically for all programmes, only for those mentioned in column C of the below table. The recalculated risk at closure, considering the final error rate after contradictory procedure is compared to the risk at closure estimated in previous AARs.

(35) The table refers only to those programmes which were reported with a RTER above 2% in previous AARs and which are considered for the calculation of the KPI 5 following the complete audit cycle. All other cases are followed-up on a case-by-case basis to ensure that at closure no operational programme remains with a material residual total error rate.

**Follow-up of 2014-2020 programmes with RTER above 2% and updated risk at closure from previous AARs:**

| AAR | Acc. year | Number of programmes concerned | Additional audit work proving RTER<2% | Financial corrections applied with RTER<2% after corrections | Financial corrections on-going to ensure a RTER<2% | Estimated RTER (KPI) | Additional corrections applied at this stage of the contradictory procedures (36) | Risk at closure at this stage of the planned contradictory procedures (37) |
|---|---|---|---|---|---|---|---|---|
| **2017** | 2015-2016 | 1 | - | 1 multi-fund OP (PL, ESF exp.) | - | 0.6% (38) | EUR 56,675 | 0.6% (est. 1.05%) |
| **2018** | 2016-2017 | 29 (6 MS +UK) | 3 (2 FR, UK) | 26 (BG, 17 EL, 3 FR, IT, LT, 2 SK, UK) | - | 1.96% | EUR 59,9 million | 1.2% (est. 1.2%) |
| **2019** | 2017-2018 | 46 (12 MS + UK) | 9 (2 DE, 1 FR, 4 IT, 1 PL, 1 UK) | 24 (1 BE, 3 DE, 6 ES, 1 FR, 2 IE, 1 HR, 2 IT, 1 LT, 4 PL, 1 RO, 1 SK, 1 UK) | 13 (1 HR, 3 IT, 10 PT) | 2.7% | EUR 200.3 million | 1.24% (est. 1.1%) |
| **2020** | 2018-2019 | 63 (12 MS + UK + ETC) | 3 (1 ES, 1 FR, 1 IT) | 46 (1 AT, 3 DE, 17 EL, 7 ES, 2 HU, 6IT, 1 LV, 2 PL, 1 RO, 3 SK, 2 ETC, 1 UK) | 14 (1 FR, 3 IT, 10 PT) | 2.1% | EUR 119.6 million | 1.55% (est. 1.2%) |
| **2021** | 2019-2020 | 50 (10 MS + UK) | 4 (1 FR, 1 IT, 1 PL, 1 SK) | 41 (1 CZ, 17 EL, 5 ES, 2 FR, 3 IT, 1 LV, 1 PL, 10 PT, 1 RO) | 5 (3 IT, 1 SK, 1 UK) | 1.9% | EUR 118.2 million | 1.19% (est. 1.2%) |
| **2022** | 2020-2021 | 41 (10 MS + ETC) | 13 (1 BE, 1 CZ, 4 IT, 1MT, 2 PL, 1 SK, 3 TC) | 12 (1 AT, 2 ES, 4 FR, 1 IT, 1 PL, 3 TC) | 16 (1 CZ, 1 FR, 2 IT, 10 PT, 2 ETC) | 1.9% | EUR 25.5 million | 1.44% (est. 1.3%) |
| **2023** | 2021-2022 | 48 (10 MS + ETC) | 2 (1 IT, 1 TC) | 6 (1 AT, 2 ES, 1 IT, 2 TC) | 40 (2 CZ, 1 DE, 17 EL, 2 ES, 1 HU, 2 IT, 1 NL, 2 PL, 10 PT, 2 ETC) | 2.1% | EUR 9.3 million | 1.60% (est. 1.3%) |
| **2024** | 2022-2023 | 16 (9 MS + ETC(39)) | N/A | N/A | N/A | 2.49% | N/A | est 2.0% |
| **TOTAL AARs 2017 – 2024** | | | | | | **EUR 533 million (total cost)<br>EUR 383 million (EU Contribution (40))** | | |

## Financial corrections procedure by the Commission

Financial correction decisions adopted by the Commission reduce the Funds' contribution to the programmes, i.e. they are always net (even if conditions under Article 145(7) CPR would not apply, since the Member State would not have accepted to apply the required corrections under Article

(36) Amounts in total expenditure for comparison purposes over the years.
(37) Recalculated risk at closure for AARs of previous years, after additional verifications and financial corrections were implemented
(38) In the AAR 2017 the KPI did not exist. It was weighted average of the RTER without financial instruments advances.
(39) DE, ES, HU, IE, IT, NL, PL, RO, SI, Interreg
(40) Based on average co-financing rate per MS

145(4)&(6). Such financial correction procedures incorporate steps providing the concerned Member State with ample possibilities to demonstrate the exact scope or impact of the alleged deficiencies (see Article 145 CPR). During such contradictory procedure, the Commission may drop some findings based on additional evidence or convincing legal argument brought by the Member State, or the Member State may accept to perform corrections. In the latter case, these corrections would in principle not be net and the Member State will be able to replace them with eligible expenditure for other eligible projects (unless conditions under Article 145(7) CPR apply). No need for such decisions occurred in 2024, since Member States appropriately carried out all corrections requested by the Commission.

Furthermore, the **2014-2020** CPR (Article 145(7) provides that the Commission shall apply **net financial corrections,** should irregularities demonstrating a serious deficiency in the management and control system of the Member State be identified by the DAC or the European Court of Auditors after the accounts were submitted, and which were not identified, reported, and corrected by the Member State's authorities. In this case, even if the Member State accepts the proposed corrections during the financial correction procedure, these corrections reduce the Funds allocations to the concerned programme, i.e. they are net. It should be noted, however, that the provisions for net financial corrections adopted by the co-legislators in the 2014-2020 Common Provisions Regulation are **subject to strict cumulative legal requirements**, considerably limiting their scope of application and in practice leading to considerable challenges in applying net financial corrections. In a first step, the Commission auditors shall find evidence of irregularities demonstrating a serious deficiency in the functioning of the management and control system. Then the Commission auditors must establish that the serious deficiency has not already been a) detected, b) reported, and c) been made subject to appropriate measures by the Member State prior to the date of detection by the Commission or the European Court of Auditors.

In 2024 the Commission has concluded (Article 144(1) CPR) that **such regulatory criteria were met in three ERDF/CF or multifund cases and has launched the related procedures for net financial corrections** under Article 145(1) combined with Article 145(7) CPR (**for three Member States SK, FR and AT).**

Despite the strict criteria foreseen in the legal framework for the Commission to implement net financial corrections causing the absence of such Commission decision so far (Article 145(7) CPR), **the mere existence of this legal provision has, in practice, increased the corrective actions by Member States**, as demonstrated by the above reported amounts, thus reducing the need for the Commission to step in formally or to adopt financial correction decisions under Article 145(6) of the CPR.

**For 2021-2027,** the CPR provides that the Commission shall apply corrections which reduce support from the Funds to a programme where it concludes that expenditure contained in accepted accounts is irregular and was not detected and reported by the Member State (Article 104(1)(b) CPR). REGIO expects that this lowering of the regulatory conditions necessary for applying net financial corrections will lead, once due contradictory procedures will have been applied, to a higher frequency of such corrections in the future.

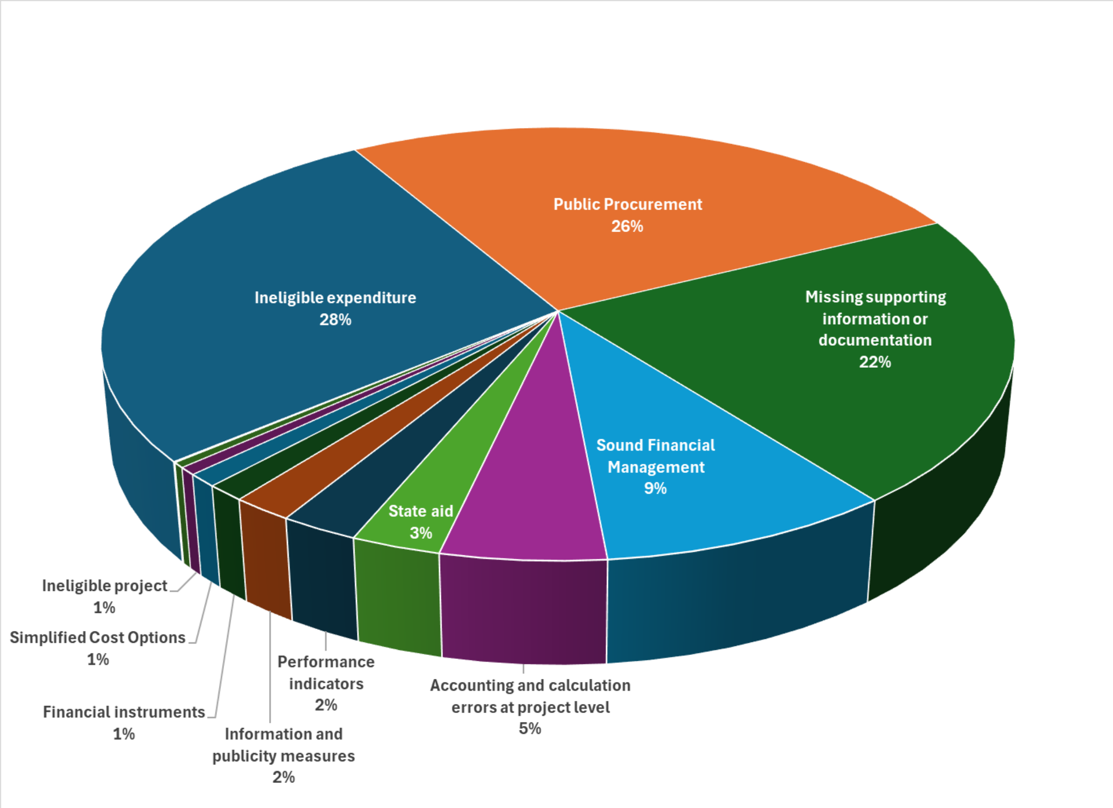
## ANNEX 7L: 2014-2020 ERDF / CF programmes: Typologies of irregularities reported by Member States with the 2022-2023 assurance packages and by REGIO auditors

### *1) Typologies of irregularities reported by Member States in their 2022 annual control reports related to the 2022-2023 assurance packages*

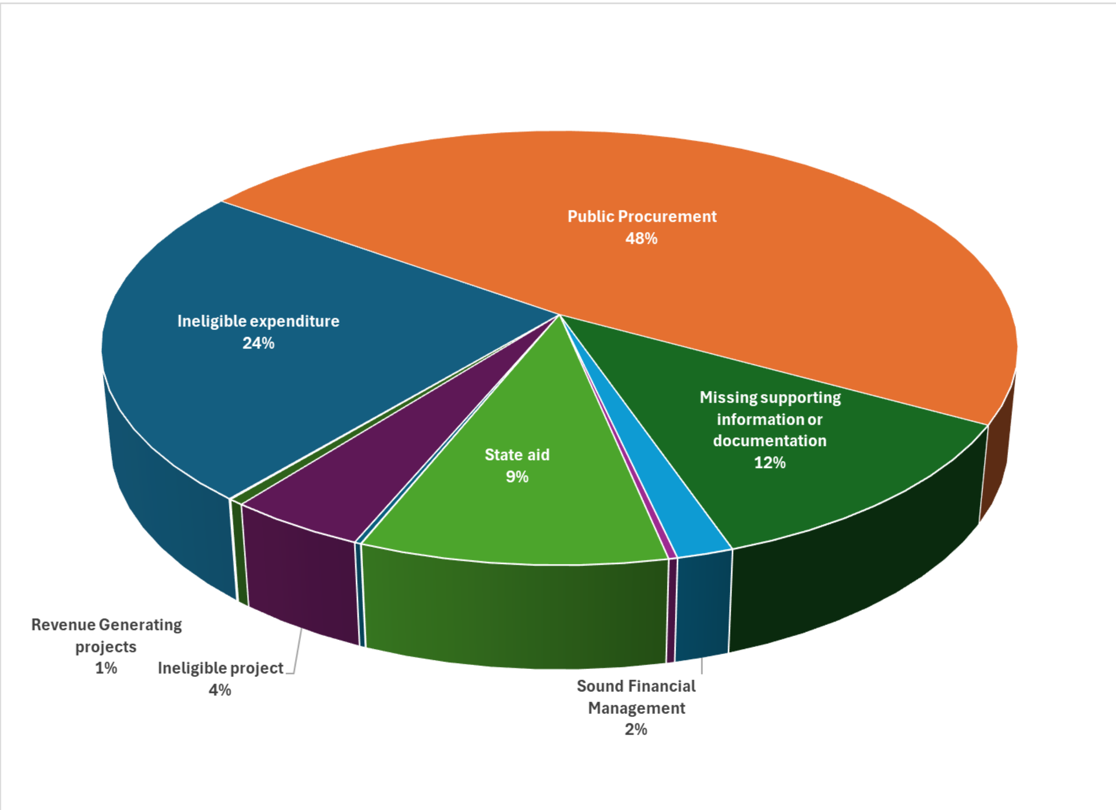
| **Category** | **Frequency** | | **Amount of the reported irregularities** |
|---|---|---|---|
| | number of cases | percentage of cases | total costs, in million EUR |
| Ineligible expenditure | 1,110 | 27.61% | 38.30 |
| Public Procurement | 1,053 | 26.19% | 77.52 |
| Missing supporting information or documentation | 874 | 21.74% | 18.82 |
| Sound Financial Management | 365 | 9.08% | 2.80 |
| Accounting and calculation errors at project level | 204 | 5.07% | 0.44 |
| State aid | 111 | 2.76% | 15.15 |
| Performance indicators | 97 | 2.41% | 0.00 |
| Information and publicity measures | 76 | 1.89% | 0.00 |
| Financial instruments | 49 | 1.22% | 0.02 |
| Simplified Cost Options | 39 | 0.97% | 0.33 |
| Ineligible project | 23 | 0.57% | 6.84 |
| Revenue Generating projects | 16 | 0.40% | 0.74 |
| Data protection | 1 | 0.02% | 0.00 |
| Environmental rules | 1 | 0.02% | 0.10 |
| Equal Opportunities / Non discrimination | 1 | 0.02% | 0.00 |
| **Total:** | **4,020** | | **161.06** |

## *Audit authorities' results (% of total)*

**Frequency of cases**




**Amounts**

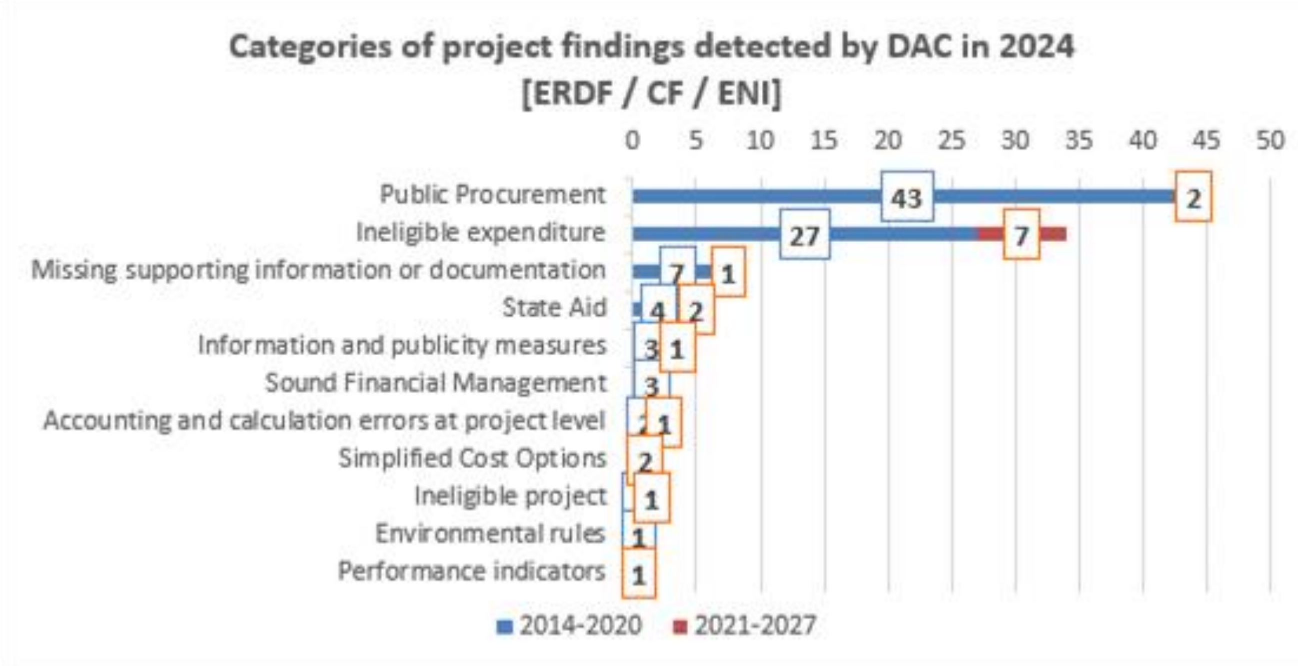


### *2) Typologies of irregularities reported in REGIO audits in 2024*

**ERDF/CF/ENI audits in 2024:**

| | |
|---|---|
| **395** | operations audited |
| **345** | System findings |
| **109** | Project findings |

The DAC audits carried out in 2024 for ERDF/CF/ENI programmes (excluding fact-finding missions) led to the identification of **345 system findings** and **109 project findings** in relation to the **395 operations (re)audited**. In line with the joint typology of errors shared with audit authorities, most of the ERDF/CF/ENI project findings, pending on-going contradictory procedures, relate to **public procurement** (41%)**,** **ineligible expenditure** (31%) followed by **missing supporting information** (7%) and **State aid** (6%)**.** These irregularities were not detected or not sufficiently quantified by the programme authorities (managing authorities in the first instance but also audit authorities in a significant number of cases for ineligible expenditure and public procurement). They also demonstrate the need for a continuous improvement of the work of both managing and audit authorities in detecting irregularities, especially for public procurement and ineligible expenditure.

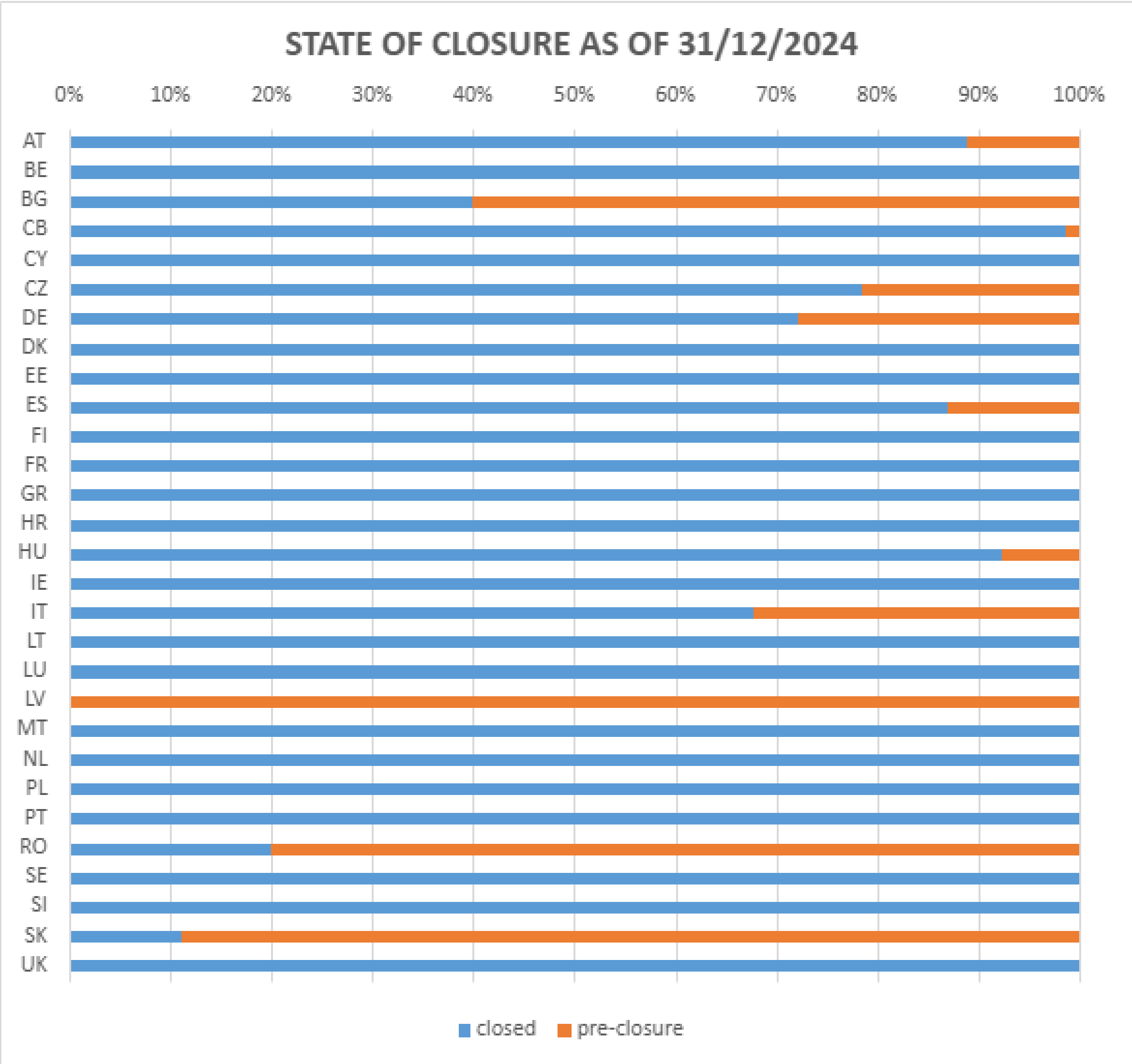


# ANNEX 7M: 2007-2013 and 2000-2006 ERDF/CF programmes: Assurance at closure

## *2007-2013 ERDF / CF programmes*

### 1. Overview closure and residual error rates

Closure is a threefold process involving different parts of the DG (implementation, audit, financial part) which results in the financial settlement of outstanding Union commitments through payment of the final balance to the appointed authority or issue of a debit note and/or decommitment, as appropriate. The closure of programmes does not prejudge the Commission's right to impose financial corrections.




If there are no pending issues identified in the programme or all pending issues have been resolved, the final balance can be determined and paid. Consequently, a **closure letter** can be sent accepting the closure documents. However, if there are pending issues (such as on-going OLAF/national investigations, open audit findings, pending recoveries, etc.) identified in the programme, the final balance cannot yet be determined, the Commission pays only the uncontested amount to the Member State. A **pre-closure letter** shall be sent. Once the pending issues are resolved, a closure letter can be sent to the Member State.

At closure, the control objective is to ensure that the residual risk of each programme does not exceed 2% on a cumulative basis and that, where this is the case, the necessary additional financial corrections are applied. Therefore, this ultimate filter ensures that no material level of error exists in the co-funded expenditure.

Closure declarations and final control reports contain a synthesis of all EU and national audit work carried out during the programming period to monitor and mitigate irregularities and risks identified throughout implementation. On its side, during the 2007-2013 period, REGIO's audit directorate has built up significant knowledge of the effective functioning of management and control systems at national/regional level both from monitoring and analysing the work carried out by the audit authorities, and from its 586 audits in the Member States under different audit enquiries, in line with its audit strategy.

In 2024, two ETC programmes, one Hungarian programme and one Croatian programme were fully closed, the latter triggering a payment of EUR 5.8 million.

**In 2024, REGIO paid EUR 5.8 million from the ERDF to 2007-2013 programmes.** Additional financial corrections as a result of the Commission supervisory role were confirmed for an amount of EUR 101.8 million.

By end December 2024, **322 programmes were fully closed (282 or 87,58%) or pre-closed (40 or 12,42%).** No open programmes remains open.

For the 40 pre-closed programmes, the Commission agreed to make a partial closure payment covering only the uncontested amounts, and withheld any expenditure affected by potential irregularities or on-going investigations at national (pending recoveries, fraud investigations, administrative/court proceedings) or EU level. Most of these pre-closed programmes are affected by on-going procedures at national level for which it is difficult to predict the date of full closure.

Considering all additional financial corrections implemented after closure and up to end 2024, DG REGIO is able to conclude that the **residual risk rate applied to the expenditure certified for the whole 2007-2013 period is now 0.29%.** The list of the 2007-2013 ERDF/CF programmes with error rates/residual risk rates and closure status is presented below. This low updated residual risk at closure confirms the effective implementation of the programmes multi-annual corrective capacity and that closure acted as an additional filter to correct any remaining material level of errors.

The below list shows de 2007-2013 ERDF / CF programmes that are still open or have been closed /pre-closed in 2024) with its corresponding error rates

| MS | Ref | Title | Reservation AAR 2024 | Closure status at end 2024 | Relevant expenditure 2024 | Residual error rate reported at closure | Residual error rate validated by REGIO | Risk at payment |
|---|---|---|---|---|---|---|---|---|
| AT | 2007AT162PO005 | Kärnten | no | pre-closed | 0.00 | 0.00% | 0.00% | 0.00 |
| BG | 2007BG161PO001 | Regional Development | no | pre-closed | 0.00 | 0.19% | 0.19% | 0.00 |
| BG | 2007BG161PO003 | Bulgarian Economy | no | pre-closed | 0.00 | 0.39% | 0.39% | 0.00 |
| BG | 2007BG161PO005 | Environment | no | pre-closed | 0.00 | 0.00% | 0.00% | 0.00 |
| CZ | 2007CZ161PO008 | North-West | no | pre-closed | 0.00 | 1.85% | 1.85% | 0.00 |
| CZ | 2007CZ161PO012 | Research and Development for Innovation | no | pre-closed | 0.00 | 0.00% | 0.00% | 0.00 |
| CZ | 2007CZ16UPO002 | Integrated OP | no | pre-closed | 0.00 | 0.00% | 0.00% | 0.00 |
| DE | 2007DE161PO002 | Brandenburg | no | pre-closed | 0.00 | 0.00% | 0.00% | 0.00 |
| DE | 2007DE161PO004 | Sachsen | no | pre-closed | 0.00 | 0.00% | 0.00% | 0.00 |
| DE | 2007DE161PO007 | Sachsen - Anhalt | no | pre-closed | 0.00 | 1.60% | 0.70% | 0.00 |
| DE | 2007DE162PO003 | Schleswig - Holstein | no | pre-closed | 0.00 | 0.00% | 0.00% | 0.00 |
| DE | 2007DE162PO004 | Berlin | no | pre-closed | 0.00 | 0.00% | 0.00% | 0.00 |
| ES | 2007ES161PO009 | Fondo de Cohesión - FEDER | no | pre-closed | 0.00 | 0.00% | 0.00% | 0.00 |
| ES | 2007ES162PO010 | Comunidad Valenciana | no | pre-closed | 0.00 | 0.00% | 0.00% | 0.00 |
| ES | 2007ES16UPO001 | Investigación, Desarrollo e innovación | no | pre-closed | 0.00 | 0.32% | 0.80% | 0.00 |

| MS | Ref | Title | Reservation AAR 2024 | Closure status at end 2024 | Relevant expenditure 2024 | Residual error rate reported at closure | Residual error rate validated by REGIO | Risk at payment |
|---|---|---|---|---|---|---|---|---|
| ETC | 2007CB163PO012 | Poland-Slovakia | no | closed 2024 | 0.00 | 0.01% | 0.01% | 0.00 |
| ETC | 2007CB163PO013 | South Baltic | no | closed 2024 | 0.00 | 0.00% | 0.00% | 0.00 |
| ETC | 2007CB163PO021 | Romania - Bulgaria | no | pre-closed | 0.00 | 0.52% | 0.60% | 0.00 |
| HR | 2007HR161PO002 | Transport | no | closed 2024 | 5,839,918.51 | not reported | 0.45% | 26279.63 |
| HU | 2007HU16UPO001 | Electronic Public Administration | no | closed 2024 | 0.00 | 0.98% | 2.00% | 0.00 |
| IT | 2007IT161PO003 | Governance e AT | no | pre-closed | 0.00 | 0.00% | 4.58% | 0.00 |
| IT | 2007IT161PO004 | Ambienti per l'apprendimento | no | pre-closed | 0.00 | 0.62% | 2.27% | 0.00 |
| IT | 2007IT161PO005 | Reti e mobilita | no | pre-closed | 0.00 | 0.00% | 2.43% | 0.00 |
| IT | 2007IT161PO006 | Ricerca e competitivita | no | pre-closed | 0.00 | 0.00% | 0.00% | 0.00 |
| IT | 2007IT161PO008 | Calabria | no | pre-closed | 0.00 | 0.88% | 1.82% | 0.00 |
| IT | 2007IT161PO009 | Campania | no | pre-closed | 0.00 | 0.00% | 1.00% | 0.00 |
| IT | 2007IT161PO011 | Sicilia | no | pre-closed | 0.00 | 0.49% | 0.76% | 0.00 |
| IT | 2007IT162PO010 | Trento | no | pre-closed | 0.00 | 0.00% | 0.00% | 0.00 |
| IT | 2007IT162PO016 | Sardegna | no | pre-closed | 0.00 | 1.43% | 1.30% | 0.00 |
| LV | 2007LV161PO001 | Entrepreneurship and Innovations | no | pre-closed | 0.00 | 0.00% | 0.00% | 0.00 |
| LV | 2007LV161PO002 | Infrastructure and Services | no | pre-closed | 0.00 | 0.00% | 0.00% | 0.00 |

| | |
|---|---|
| **Total relevant expenditure in 2024** | **5,839,918.51** |
| **Weighted average residual risk based on the expenditure declared at closure** | **0.29%** |
| **Average residual risk at payment** | **0.45%** |

## 2. Safeguarding the EU budget by corrective actions

The purpose of financial corrections is to ensure that the risk on the legality and regularity of the expenditure declared for co-financing at programme level is below materiality, either through corrections of individual irregularities detected or through extrapolated corrections in case of material representative error rates. These must be based on evidence. The Commission bears the (initial) burden of proof for system deficiencies, irregularities and breaches of the obligations under Articles 98 and 15(4) ([41]) of Regulation (EC) No 1083/2006.

### Financial corrections as a result of the Commission supervisory role (2007-2013)

| Indicator | 2024 (EUR million) | Cumulative since 2007 (EUR million) |
|---|---|---|
| Financial corrections as a result of the Commission supervisory role (Decided/Confirmed) ([42]) | 101.8 | 4,845.6 |
| Financial corrections as a result of the Commission supervisory role (implemented) | 99.4 | 4,436.0 |
| Rate of implementation of financial corrections 2007-2013 | | 97.7% |

The financial corrections reported above do not reflect the total amount of corrections accepted by Member States as a result of the Commission's supervisory role. Remedial action plans are requested by the Commission from Member States when deficiencies are identified. These also have a **preventive effect** on expenditure already incurred by beneficiaries and registered at national level in the certifying authority's accounts, but not yet declared to the Commission. For such expenditure, the certifying authority applies the financial correction requested by the Commission prior to declaring expenditure ('ex ante' or 'at source'). Expenditure declared to the Commission is therefore **net** from irregular amounts.

The detailed table of financial corrections 2007-2013 by Member State is presented below:

([41]) The Communications on the protection of the EU Budget is integrated in the Annual Management and Performance report (AMPR).

([42]) Excluding financial corrections at source

## 2007-2013 ERDF / CF programmes: Financial Corrections, Withdrawals and Recoveries

### 1. Commission supervisory role - Financial corrections confirmed/decided in 2024 (excluded at source corrections) by programming period, in EUR million

(adjustments/corrections to reporting of previous years are directly reflected in the cumulative amounts)

| Member State | 1994-99 | 2000-06 | 2007-13 | | | | Total |
|---|---|---|---|---|---|---|---|
| | Cumulative (ERDF + CF) end of 2024 | Cumulative (ERDF + CF) end of 2024 | 2024 | | | Cumulative (ERDF + CF) end of 2024 | Cumulative (ERDF + CF) end of 2024 |
| | | | ERDF | CF | Total 2024 | | |
| Austria | 0,2 | 0,7 | - | - | - | 16,3 | 17,2 |
| Belgium | 9,1 | 8,2 | - | - | - | 13,3 | 30,6 |
| Bulgaria | - | 25,7 | - | - | - | 132,8 | 158,5 |
| Croatia | - | 1,0 | 1,95 | - | 1,95 | 2,8 | 3,8 |
| Cyprus | - | - | - | - | - | - | - |
| Czech Republic | - | 45,0 | - | 39,48 | 39,48 | 428,9 | 473,9 |
| Denmark | 1,8 | 0,5 | - | - | - | - | 2,3 |
| Estonia | - | 2,2 | - | - | - | 16,3 | 18,5 |
| ETC | 1,8 | 69,1 | - | - | - | 13,6 | 84,5 |
| Finland | 0,5 | - | - | - | - | - | 0,5 |
| France | 32,7 | 112,3 | - | - | - | 21,2 | 166,2 |
| Germany | 48,6 | 62,4 | 6,95 | - | 6,95 | 168,5 | 279,5 |
| Greece | 523,8 | 1.255,2 | 37,07 | 14,46 | 51,53 | 464,1 | 2.243,1 |
| Hungary | - | 64,9 | 0,30 | - | 0,30 | 829,8 | 894,7 |
| Ireland | 11,2 | 64,9 | - | - | - | 2,4 | 78,5 |
| Italy | 350,3 | 1.312,6 | - | - | - | 631,0 | 2.293,8 |
| Latvia | - | 17,9 | - | - | - | 61,1 | 79,0 |
| Lithuania | - | 9,5 | - | - | - | - | 9,5 |
| Luxembourg | 0,3 | - | - | - | - | - | 0,3 |
| Malta | - | - | - | - | - | 11,0 | 11,0 |
| Netherlands | 8,2 | 0,2 | - | - | - | - | 8,4 |
| Poland | - | 303,5 | - | - | - | 585,8 | 889,3 |
| Portugal | 85,0 | 240,3 | - | - | - | 81,1 | 406,4 |
| Romania | - | 27,4 | 0,59 | - | 0,59 | 158,4 | 185,8 |
| Slovakia | - | 121,3 | - | - | - | 474,4 | 595,7 |
| Spain | 227,9 | 2.922,7 | 1,04 | - | 1,04 | 562,2 | 3.712,8 |
| Slovenia | - | 2,9 | - | - | - | 49,4 | 52,3 |
| Sweden | 0,5 | 0,1 | - | - | - | 0,7 | 1,3 |
| United Kingdom | 126,9 | 159,9 | - | - | - | 120,5 | 407,3 |
| **TOTAL** | 1.428,8 | 6.830,4 | 47,89 | 53,95 | **101,84** | **4.845,6** | 13.104,8 |
| **Implemented** | 1.423,5 | 6.820,2 | | | | 4.736,0 | |
| **%** | 100% | 100% | | | | 98% | |

**2. Commission supervisory role - Financial corrections implemented in 2024 (excluded at source corrections) by programming period, in EUR million** (adjustments/corrections to reporting of previous years are directly reflected in the cumulative amounts)

| Member State | 1994-99 | 2000-06 | 2007-13 | | | | Total | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Cumulative (ERDF + CF) end of 2024 | Cumulative (ERDF + CF) end of 2024 | 2024 | | | Cumulative (ERDF + CF) end of 2024 | 2024 | | | Cumulative (ERDF + CF) end of 2024 |
| | | | ERDF | CF | Total 2024 | | ERDF | CF | Total 2024 | |
| Austria | 0,20 | 0,70 | - | - | - | 16,25 | - | - | - | 17,15 |
| Belgium | 9,10 | 8,20 | - | - | - | 13,30 | - | - | - | 30,60 |
| Bulgaria | - | 25,70 | - | - | - | 128,66 | - | - | - | 154,36 |
| Croatia | - | 1,00 | - | - | - | 1,00 | - | - | - | 2,00 |
| Cyprus | - | - | - | - | - | - | - | - | - | - |
| Czech Republic | - | 45,00 | - | 39,48 | 39,48 | 495,80 | - | 39,48 | 39,48 | 540,80 |
| Denmark | 1,80 | 0,50 | - | - | - | - | - | - | - | 2,30 |
| Estonia | - | 2,20 | - | - | - | 16,30 | - | - | - | 18,50 |
| ETC | 1,80 | 69,10 | 0,05 | - | 0,05 | 13,62 | 0,05 | - | 0,05 | 84,52 |
| Finland | 0,50 | - | - | - | - | - | - | - | - | 0,50 |
| France | 32,70 | 112,30 | - | - | - | 21,20 | - | - | - | 166,20 |
| Germany | 48,64 | 54,64 | 6,95 | - | 6,95 | 168,45 | 34,47 | - | 34,47 | 271,73 |
| Greece | 521,90 | 1.257,59 | 37,07 | 14,46 | 51,53 | 464,13 | 49,01 | 14,46 | 63,47 | 2.243,63 |
| Hungary | - | 64,90 | 0,30 | - | 0,30 | 748,62 | 0,30 | - | 0,30 | 813,52 |
| Ireland | 11,20 | 64,90 | - | - | - | 2,40 | - | - | - | 78,50 |
| Italy | 346,88 | 1.312,70 | - | - | - | 621,95 | 0,45 | - | 0,45 | 2.281,53 |
| Latvia | - | 17,90 | - | - | - | 66,51 | - | - | - | 84,41 |
| Lithuania | - | 9,47 | - | - | - | - | - | - | - | 9,47 |
| Luxembourg | 0,30 | - | - | - | - | - | - | - | - | 0,30 |
| Malta | - | - | - | - | - | 11,00 | - | - | - | 11,00 |
| Netherlands | 8,20 | 0,20 | - | - | - | - | - | - | - | 8,40 |
| Poland | - | 303,50 | - | - | - | 585,80 | - | - | - | 889,30 |
| Portugal | 85,00 | 240,30 | - | - | - | 85,70 | - | - | - | 411,00 |
| Romania | - | 27,40 | - | - | - | 75,58 | - | - | - | 102,98 |
| Slovakia | - | 121,30 | - | - | - | 471,42 | - | - | - | 592,71 |
| Slovenia | - | 2,90 | - | - | - | 46,80 | - | - | - | 49,70 |
| Spain | 227,90 | 2.917,77 | 1,04 | - | 1,04 | 560,24 | 1,04 | - | 1,04 | 3.705,90 |
| Sweden | 0,50 | 0,10 | - | - | - | 0,70 | - | - | - | 1,30 |
| United Kingdom | 126,90 | 159,90 | - | - | - | 120,60 | - | - | - | 407,40 |
| TOTAL | 1.423,52 | 6.820,16 | 45,41 | 53,95 | 99,35 | 4.736,04 | 85,31 | 53,95 | 139,26 | 12.979,72 |
| ERDF | 1.153,1 | 5.957,5 | | | | 3.932,3 | | | | 11.042,9 |
| CF | 270,4 | 862,7 | | | | 803,7 | | | | 1.936,8 |

Out of the total of EUR 139,2 million financial corrections implemented in 2024 in respect of the pre-2014 programming periods, EUR 25.5 million were implemented by recovery orders, EUR 22.7 million by decommitment and EUR 91 million by deduction at closure.

### IPA-CBC 2007-2013

In 2024, there were no payments or recoveries made for IPA-CBC 2007-2013.

| Indicator | 2024 |
|---|---|
| Residual risk rate at closure (average IPA-CBC programmes) | 0.38% |
| Number of IPA-CBC programmes from the 2007-2013 period in reservation | 0 |

IPA Cross Border programmes are ETC programmes involving at least one candidate country. In terms of management and control system, the assurance model does not differ from the mainstream programmes, as both the requirements and the control objective are identical to those for ERDF/CF.

The review carried out confirms that reasonable assurance can be obtained at this stage on all the programmes which report a residual risk rate at closure well below 2%. In 2024, one IPA-CBC programme was closed. One IPA cross-border programme remains to be closed.

### 2000-2006 ERDF / CF programmes: State of play of closures

In 2024, REGIO has made the following financial transactions for the 2000-2006 ERDF programmes and for the Cohesion Fund projects:

| Fund | Payments (EUR) | Recoveries (EUR) |
|---|---|---|
| CF 2000-2006 / ISPA | 0 | |
| ERDF 2000-2006 | 87,414,221.07 | 11.118.153,11 |
| **TOTAL** | 87,414,221.07 | 11.118.153,11 |

***ERDF:*** In 2024, there were three payments made for three programmes (3 DE) following the respective partial closure letters. Currently, out of 379 programmes of the 2000-2006 period, 16 remain partially closed. In 15 programmes there are projects subject to national administrative and/or legal procedures (including court cases). Depending on the decision of national authorities, they may result in the recovery of financial amounts or a decision to charge the amounts to the EU budget. Final closure of these programmes is not possible as long as no court decision is taken at national level. The remaining programme financial correction procedure is ongoing. Therefore, there is no risk on EU payments.

***CF:*** There was one project still open at the end of 2024 for which the national proceedings finished and the legal arguments for a financial correction are being analysed. In 2024, no payments were made for the Cohesion Fund 2000-2006 and the risk at payment thus zero.

## ANNEX 7N: 2021-2027 ERDF/CF programmes: error rates, MCS and AA assessment ([43])

| MS | Ref | Title | (1) MCS functioning effectively AAR2024 (Y/N/NA*): Y=Cat. 1-2; N=Cat. 3-4 | Accounting year 2022-2023 | | | Accounting year 2023-2024 | | |
|---|---|---|---|---|---|---|---|---|---|
| | | | | **Confirmed error rates after EC's audit assessment** (desk review of all OPs and risk-based compliance audits) | | | **'Reportable' error rates** (reported by audit authorities and, where necessary, adjusted by EC following preliminary consistency checks) | | |
| | | | | (3) Total Error Rate | (4) Residual Total Error Rate | (5) Residual Total Error Rate removing impact of advances to financial instruments | (6) Total Error Rate reportable by EC | (7) Residual Total Error Rate reportable by EC | (8) Relevant Expediture (€) |
| AT | 2021AT16FFPR001 | Programme IfJG ERDF/JTF 2021-27: Investments in employment, growth and the transition to a low-carbon economy in Austria 2021-2027 | Y | | | | 0,00% | 0,00% | € - |
| BE | 2021BE16FFPR001 | Wallonia 2027 | Y | | | | 0,00% | 0,00% | € - |
| BE | 2021BE16RFPR001 | ERDF Programme 2021-2027 of the Brussels Capital Region | Y | | | | 0,00% | 0,00% | € - |
| BE | 2021BE16RFPR002 | ERDF 2021-2027 Flanders | Y | | | | 0,00% | 0,00% | € - |
| BG | 2021BG16FFPR001 | Transport connectivity | Y | | | | 0,00% | 0,00% | € 13.758.887,32 |
| BG | 2021BG16FFPR002 | Environment | Y | | | | 0,00% | 0,00% | € 13.467.605,53 |
| BG | 2021BG16FFPR003 | Development of Regions | Y | | | | 0,00% | 0,00% | € - |
| BG | 2021BG16RFPR001 | Competitiveness and Innovation in Enterprises | Y | | | | 0,00% | 0,00% | € 6.305.939,58 |

([43]) Blank cells for columns (3), (4) and (5) mean that no assurance package was received in 2023. Columns (5), (6), and (7) are filled in only for programmes having submitted an assurance package in 2024 or with expenditure in 2024 (possibly in the second semester only, therefore without assurance package yet).

| MS | Ref | Title | (1) MCS functioning effectively AAR2024 (Y/N/NA*): Y=Cat. 1-2; N=Cat. 3-4 | Accounting year 2022-2023 | | | Accounting year 2023-2024 | | |
|---|---|---|---|---|---|---|---|---|---|
| | | | | **Confirmed error rates after EC's audit assessment** (desk review of all OPs and risk-based compliance audits) | | | **'Reportable' error rates** (reported by audit authorities and, where necessary, adjusted by EC following preliminary consistency checks) | | |
| | | | | (3) Total Error Rate | (4) Residual Total Error Rate | (5) Residual Total Error Rate removing impact of advances to financial instruments | (6) Total Error Rate reportable by EC | (7) Residual Total Error Rate reportable by EC | (8) Relevant Expediture (€) |
| BG | 2021BG16RFPR002 | Research, Innovation and Digitalisation for Smart Transformation | Y | | | | 0,00% | 0,00% | € 2.924.672,34 |
| BG | 2021BG16RFTA001 | Technical Assistance | Y | | | | 0,00% | 0,00% | € 2.862.319,41 |
| CY | 2021CY16FFPR001 | Cohesion Policy Programme "THALIA 2021-2027" | Y | | | | 0,00% | 0,00% | € 19.775.289,58 |
| CZ | 2021CZ05FFPR001 | Johannes Amos Comenius | Y | | | | 0,00% | 0,00% | € - |
| CZ | 2021CZ16FFPR001 | Environment 2021-2027 programme | Y | 0,00% | 0,00% | 0,00% | 1,26% | 1,18% | € 295.060.548,80 |
| CZ | 2021CZ16FFPR002 | Transport 2021-2027 programme | Y | | | | 0,02% | 0,01% | € 400.971.677,70 |
| CZ | 2021CZ16FFTA001 | Technical assistance 2021-2027 programme | Y | 0,00% | 0,00% | 0,00% | 0,20% | 0,18% | € 25.793.657,87 |
| CZ | 2021CZ16JTPR001 | Just transition 2021-2027 programme | Y | | | | 0,01% | 0,01% | € 35.169.260,85 |
| CZ | 2021CZ16RFPR001 | Technologies and Applications for Competitiveness programme | Y | | | | 2,00% | 2,00% | € 82.600.673,75 |
| CZ | 2021CZ16RFPR002 | Integrated Regional programme 2021-2027 | Y | | | | 0,75% | 0,64% | € 170.103.576,70 |
| DE | 2021DE16FFPR001 | Programme ERDF/JTF 2021-2027 Brandenburg | Y | | | | 0,00% | 0,00% | € 18.940.500,01 |
| DE | 2021DE16FFPR002 | Programme ERDF/JTF 2021-2027 North Rhine-Westphalia | Y | | | | 0,00% | 0,00% | € - |

| MS | Ref | Title | (1) MCS functioning effectively AAR2024 (Y/N/NA*): Y=Cat. 1-2; N=Cat. 3-4 | Accounting year 2022-2023 | | | Accounting year 2023-2024 | | |
|---|---|---|---|---|---|---|---|---|---|
| | | | | **Confirmed error rates after EC's audit assessment** (desk review of all OPs and risk-based compliance audits) | | | **'Reportable' error rates** (reported by audit authorities and, where necessary, adjusted by EC following preliminary consistency checks) | | |
| | | | | (3) Total Error Rate | (4) Residual Total Error Rate | (5) Residual Total Error Rate removing impact of advances to financial instruments | (6) Total Error Rate reportable by EC | (7) Residual Total Error Rate reportable by EC | (8) Relevant Expediture (€) |
| DE | 2021DE16FFPR003 | Programme ERDF/JTF 2021-2027 Saxony | Y | | | | 0,00% | 0,00% | € - |
| DE | 2021DE16FFPR004 | Programme ERDF/JTF 2021-2027 Saxony-Anhalt | Y | | | | 0,00% | 0,00% | € - |
| DE | 2021DE16FFPR005 | Lower Saxony 2021-2027 ERDF-ESF+ | Y | | | | 0,00% | 0,00% | € - |
| DE | 2021DE16RFPR001 | Programme ERDF 2021-2027 Baden-Württemberg | Y | | | | 0,00% | 0,00% | € - |
| DE | 2021DE16RFPR002 | Programme ERDF 2021-2027 Bavaria | Y | | | | 0,00% | 0,00% | € 19.415.909,86 |
| DE | 2021DE16RFPR003 | Programme ERDF 2021-2027 Berlin | Y | 1,25% | 0,72% | 0,83% | 0,00% | 0,00% | € 457.578,95 |
| DE | 2021DE16RFPR004 | Programme ERDF 2021-2027 Bremen | Y | | | | 0,00% | 0,00% | € - |
| DE | 2021DE16RFPR005 | Programme ERDF 2021-2027 Hamburg | Y | | | | 0,00% | 0,00% | € - |
| DE | 2021DE16RFPR006 | Programme ERDF 2021-2027 Hesse | Y | | | | 0,00% | 0,00% | € - |
| DE | 2021DE16RFPR007 | Programme ERDF 2021-2027 Mecklenburg-Vorpommern | Y | | | | 0,00% | 0,00% | € - |
| DE | 2021DE16RFPR008 | Programme ERDF 2021-2027 Rhineland-Palatinate | Y | | | | 0,00% | 0,00% | € - |
| DE | 2021DE16RFPR009 | Programme ERDF 2021-2027 Saarland | Y | | | | 0,00% | 0,00% | € - |

| MS | Ref | Title | (1) MCS functioning effectively AAR2024 (Y/N/NA*): Y=Cat. 1-2; N=Cat. 3-4 | Accounting year 2022-2023 | | | Accounting year 2023-2024 | | |
|---|---|---|---|---|---|---|---|---|---|
| | | | | **Confirmed error rates after EC's audit assessment** (desk review of all OPs and risk-based compliance audits) | | | **'Reportable' error rates** (reported by audit authorities and, where necessary, adjusted by EC following preliminary consistency checks) | | |
| | | | | (3) Total Error Rate | (4) Residual Total Error Rate | (5) Residual Total Error Rate removing impact of advances to financial instruments | (6) Total Error Rate reportable by EC | (7) Residual Total Error Rate reportable by EC | (8) Relevant Expediture (€) |
| DE | 2021DE16RFPR010 | Programme ERDF 2021-2027 Schleswig-Holstein | Y | | | | 0,00% | 0,00% | € - |
| DE | 2021DE16RFPR011 | Programme ERDF 2021-2027 Thuringia | Y | | | | 0,00% | 0,00% | € - |
| DK | 2021DK16JTPR001 | Green Technologies and Skills for a Just Transition | Y | | | | 0,00% | 0,00% | € 520.359,31 |
| DK | 2021DK16RFPR001 | National programme for the ERDF in Denmark: Strong enterprises through innovation, digitalization and green transition | Y | | | | 0,00% | 0,00% | € 11.361.623,58 |
| EE | 2021EE16FFPR001 | Programme for Cohesion Policy Funds 2021-2027 | Y | | | | 1,29% | 1,27% | € 181.672.296,10 |
| EL | 2021EL16FFPR001 | Competitiveness | Y | | | | 1,74% | 1,47% | € 177.930.764,10 |
| EL | 2021EL16FFPR002 | Digital Transformation | Y | | | | 1,74% | 1,47% | € 40.554.610,32 |
| EL | 2021EL16FFPR003 | Environment and Climate Change | Y | | | | 0,00% | 0,00% | € 106.291.712,40 |
| EL | 2021EL16FFPR004 | Transport | Y | 2,00% | 2,00% | 2,00% | 1,74% | 1,47% | € 85.151.669,16 |
| EL | 2021EL16FFPR006 | Anatoliki Makedonia, Thraki | Y | | | | 1,74% | 1,47% | € 44.302.321,17 |
| EL | 2021EL16FFPR007 | Kentriki Makedonia | Y | | | | 1,74% | 1,47% | € 76.338.923,64 |
| EL | 2021EL16FFPR008 | Thessalia | Y | | | | 1,74% | 1,47% | € 21.077.205,84 |

| MS | Ref | Title | (1) MCS functioning effectively AAR2024 (Y/N/NA*): Y=Cat. 1-2; N=Cat. 3-4 | Accounting year 2022-2023 | | | Accounting year 2023-2024 | | |
|---|---|---|---|---|---|---|---|---|---|
| | | | | **Confirmed error rates after EC's audit assessment** (desk review of all OPs and risk-based compliance audits) | | | **'Reportable' error rates** (reported by audit authorities and, where necessary, adjusted by EC following preliminary consistency checks) | | |
| | | | | (3) Total Error Rate | (4) Residual Total Error Rate | (5) Residual Total Error Rate removing impact of advances to financial instruments | (6) Total Error Rate reportable by EC | (7) Residual Total Error Rate reportable by EC | (8) Relevant Expediture (€) |
| EL | 2021EL16FFPR009 | Ipeiros | Y | | | | 1,74% | 1,47% | € 13.063.908,96 |
| EL | 2021EL16FFPR010 | Dytiki Ellada | Y | | | | 1,74% | 1,47% | € 29.441.128,67 |
| EL | 2021EL16FFPR011 | Dytiki Makedonia | Y | | | | 1,74% | 1,47% | € 21.607.039,98 |
| EL | 2021EL16FFPR012 | Sterea Ellada | Y | | | | 1,74% | 1,47% | € 7.533.933,09 |
| EL | 2021EL16FFPR013 | Peloponnisos | Y | | | | 1,74% | 1,47% | € 35.505.802,49 |
| EL | 2021EL16FFPR014 | Ionia Nisia | Y | | | | 1,74% | 1,47% | € 1.793.152,43 |
| EL | 2021EL16FFPR015 | Voreio Aigaio | Y | | | | 1,74% | 1,47% | € 13.148.653,06 |
| EL | 2021EL16FFPR016 | Kriti | Y | | | | 1,74% | 1,47% | € 27.674.881,74 |
| EL | 2021EL16FFPR017 | Attiki | Y | 0,00% | 0,00% | 0,00% | 1,74% | 1,47% | € 31.646.086,81 |
| EL | 2021EL16FFPR018 | Notio Aigaio | Y | 0,00% | 0,00% | 0,00% | 1,74% | 1,47% | € 4.909.257,46 |
| EL | 2021EL16FFTA001 | Technical Assistance and Beneficiary Support | Y | | | | 0,00% | 1,47% | € 7.612.904,62 |
| EL | 2021EL16JTPR001 | Just Development Transition | Y | | | | 0,00% | 0,00% | € 8.123.784,86 |
| EL | 2021EL16RFPR001 | Civil Protection | Y | | | | 1,74% | 1,47% | € 13.332.514,54 |
| ES | 2021ES16JTPR001 | Just Transition Programme Spain 2021-2027 | Y | | | | 0,00% | 0,00% | € - |
| ES | 2021ES16RFPR001 | Pluri-regional programme Spain ERDF 2021-2027 | Y | | | | 0,00% | 0,00% | € - |

| MS | Ref | Title | (1) MCS functioning effectively AAR2024 (Y/N/NA*): Y=Cat. 1-2; N=Cat. 3-4 | Accounting year 2022-2023 | | | Accounting year 2023-2024 | | |
|---|---|---|---|---|---|---|---|---|---|
| | | | | **Confirmed error rates after EC's audit assessment** (desk review of all OPs and risk-based compliance audits) | | | **'Reportable' error rates** (reported by audit authorities and, where necessary, adjusted by EC following preliminary consistency checks) | | |
| | | | | (3) Total Error Rate | (4) Residual Total Error Rate | (5) Residual Total Error Rate removing impact of advances to financial instruments | (6) Total Error Rate reportable by EC | (7) Residual Total Error Rate reportable by EC | (8) Relevant Expediture (€) |
| ES | 2021ES16RFPR002 | Programme Andalusia ERDF 2021-2027 | Y | | | | 0,00% | 0,00% | € - |
| ES | 2021ES16RFPR003 | Programme Aragon ERDF 2021-2027 | Y | | | | 0,00% | 0,00% | € - |
| ES | 2021ES16RFPR004 | Programme Asturias ERDF 2021-2027 | Y | | | | 0,00% | 0,00% | € - |
| ES | 2021ES16RFPR005 | Programme Baleares ERDF 2021-2027 | Y | | | | 0,00% | 0,00% | € - |
| ES | 2021ES16RFPR006 | Programme Canarias ERDF 2021-2027 | Y | | | | 0,00% | 0,00% | € - |
| ES | 2021ES16RFPR007 | Programme Cantabria ERDF 2021-2027 | Y | | | | 0,00% | 0,00% | € - |
| ES | 2021ES16RFPR008 | Programme Castilla y Leon ERDF 2021-2027 | Y | | | | 0,00% | 0,00% | € - |
| ES | 2021ES16RFPR009 | Programme Castilla-La Mancha ERDF 2021-2027 | Y | | | | 0,00% | 0,00% | € - |
| ES | 2021ES16RFPR010 | Programme Catalonia ERDF 2021-2027 | Y | | | | 0,00% | 0,00% | € - |
| ES | 2021ES16RFPR011 | Programme Ceuta ERDF 2021-2027 | Y | | | | 0,00% | 0,00% | € - |
| ES | 2021ES16RFPR012 | Programme Region of Valencia ERDF 2021-2027 | Y | | | | 0,00% | 0,00% | € - |
| ES | 2021ES16RFPR013 | Programme Extremadura ERDF 2021-2027 | Y | | | | 0,00% | 0,00% | € - |

| MS | Ref | Title | (1) MCS functioning effectively AAR2024 (Y/N/NA*): Y=Cat. 1-2; N=Cat. 3-4 | Accounting year 2022-2023 | | | Accounting year 2023-2024 | | |
|---|---|---|---|---|---|---|---|---|---|
| | | | | **Confirmed error rates after EC's audit assessment** (desk review of all OPs and risk-based compliance audits) | | | **'Reportable' error rates** (reported by audit authorities and, where necessary, adjusted by EC following preliminary consistency checks) | | |
| | | | | (3) Total Error Rate | (4) Residual Total Error Rate | (5) Residual Total Error Rate removing impact of advances to financial instruments | (6) Total Error Rate reportable by EC | (7) Residual Total Error Rate reportable by EC | (8) Relevant Expediture (€) |
| ES | 2021ES16RFPR014 | Programme Galicia ERDF 2021-2027 | Y | | | | 0,00% | 0,00% | € - |
| ES | 2021ES16RFPR015 | Programme La Rioja ERDF 2021-2027 | Y | | | | 0,00% | 0,00% | € - |
| ES | 2021ES16RFPR016 | Programme Community of Madrid ERDF 2021-2027 | Y | | | | 0,00% | 0,00% | € - |
| ES | 2021ES16RFPR017 | Programme Melilla ERDF 2021-2027 | Y | | | | 0,00% | 0,00% | € - |
| ES | 2021ES16RFPR018 | Programme Region of Murcia ERDF 2021-2027 | Y | | | | 0,00% | 0,00% | € - |
| ES | 2021ES16RFPR019 | Programme Navarra ERDF 2021-2027 | Y | | | | 0,00% | 0,00% | € - |
| ES | 2021ES16RFPR020 | Programme Basque Country ERDF 2021-2027 | Y | | | | 0,00% | 0,00% | € - |
| FI | 2021FI16FFPR001 | Innovation and skills in Finland 2021 – 2027 | Y | | | | 0,00% | 0,00% | € 84.771.590,33 |
| FI | 2021FI16FFPR002 | Åland Structural Funds programme 2021-2027 | Y | | | | 0,00% | 0,00% | € - |
| FR | 2021FR05FFPR001 | Programme Île-de-France et bassin de la Seine ERDF-ESF+ 2021-2027 | Y | | | | 0,00% | 0,00% | € - |
| FR | 2021FR05JTPR001 | National JTF programme Employment - Skills | Y | | | | 0,00% | 0,00% | € - |

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| FR | 2021FR16FFPR001 | Programme Sud - Provence-Alpes-Côte d'Azur and Massif des Alpes ERDF-ESF+-JTF 2021-2027 | Y | | | | 0,00% | 0,00% | € - |
| FR | 2021FR16FFPR002 | Programme Réunion ERDF-ESF+ 2021-2027 | Y | | | | 0,00% | 0,00% | € 26.378.107,35 |
| FR | 2021FR16FFPR003 | Programme Pays de la Loire ERDF-ESF+-JTF 2021-2027 | Y | | | | 0,00% | 0,00% | € - |
| FR | 2021FR16FFPR004 | Programme Occitanie ERDF-ESF+ 2021-2027 | Y | | | | 0,00% | 0,00% | € 27.095.641,93 |
| FR | 2021FR16FFPR005 | Programme Nouvelle-Aquitaine ERDF-ESF+ 2021-2027 | Y | | | | 7,65% | 0,04% | € 31.451.843,92 |
| FR | 2021FR16FFPR006 | Programme Normandie ERDF-ESF+-JTF 2021-2027 | Y | | | | 0,00% | 0,00% | € 340.151,11 |
| FR | 2021FR16FFPR008 | Programme Martinique ERDF-ESF+ 2021-2027 | Y | | | | 0,00% | 0,00% | € - |
| FR | 2021FR16FFPR010 | Programme Hauts de France ERDF-ESF+-JTF 2021-2027 | Y | | | | 0,00% | 0,00% | € 4.755.695,64 |
| FR | 2021FR16FFPR011 | Programme Centre-Val de Loire and interregional Loire ERDF-ESF+ 2021-2027 | Y | | | | 0,00% | 0,00% | € 10.321.066,49 |
| FR | 2021FR16FFPR012 | Programme Guyane ERDF-ESF+ 2021-2027 | Y | | | | 0,00% | 0,00% | € - |

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| FR | 2021FR16FFPR013 | Programme Guadeloupe ERDF-ESF+ 2021-2027 | Y | | | | 0,00% | 0,00% | € - |
| FR | 2021FR16FFPR014 | Programme Grand Est and massif des Vosges ERDF-ESF+-JTF 2021-2027 | Y | | | | 4,15% | 2,00% | € 93.479.126,79 |
| FR | 2021FR16FFPR015 | Programme Corse ERDF-ESF+ 2021-2027 | Y | | | | 0,00% | 0,00% | € - |
| FR | 2021FR16FFPR016 | Programme Bretagne ERDF-ESF+ 2021-2027 | Y | | | | 0,00% | 0,00% | € - |
| FR | 2021FR16FFPR017 | Programme Bourgogne-Franche-Comté and massif du Jura ERDF-ESF+ 2021-2027 | Y | | | | 0,00% | 0,00% | € - |
| FR | 2021FR16FFPR018 | Programme Auvergne-Rhône-Alpes and territories Rhône Saône and Massif Central ERDF-ESF+-JTF 2021-2027 | Y | | | | 0,00% | 0,00% | € 20.329.734,20 |
| FR | 2021FR16RFPR001 | Programme Saint Martin ERDF 2021-2027 | Y | | | | 0,00% | 0,00% | € - |
| FR | 2021FR16RFPR002 | Programme Mayotte ERDF 2021-2027 | Y | | | | 0,00% | 0,00% | € - |
| HR | 2021HR16FFPR001 | Programme Competitiveness and Cohesion 2021 - 2027 | Y | | | | 0,00% | 0,00% | € - |

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| HR | 2021HR16FFPR002 | Integrated Territorial Programme 2021 - 2027 | Y | | | | 0,00% | 0,00% | € - |
| HU | 2021HU05FFPR001 | Human Resources Development Operational Programme Plus | Y | | | | 0,00% | 0,00% | € - |
| HU | 2021HU16FFPR001 | Economic Development and Innovation Operational Programme Plus | Y | | | | 4,97% | 1,99% | -€ 36.032.878,16 |
| HU | 2021HU16FFPR002 | Environmental and Energy Efficiency Operational Programme Plus | Y | | | | 0,00% | 0,00% | € - |
| HU | 2021HU16FFPR003 | Integrated Transport Development Operational Programme Plus | Y | | | | 5,83% | 0,00% | -€ 130.519.887,00 |
| HU | 2021HU16FFPR004 | Territorial and Settlement Development Operational Programme Plus | Y | | | | 0,00% | 0,00% | € - |
| HU | 2021HU16FFPR005 | Digital Renewal Operational Programme Plus | Y | | | | 0,00% | 0,00% | € - |
| HU | 2021HU16FFTA001 | Implementation Operational Programme Plus | Y | 2,16% | 0,10% | 0,10% | 0,98% | 0,02% | € 40.406.959,83 |
| IE | 2021IE16JTPR001 | Just Transition Fund 2021-2027 | Y | | | | 0,00% | 0,00% | € - |
| IE | 2021IE16RFPR001 | Northern and Western Regional Programme 2021-2027 | Y | | | | 0,00% | 0,00% | € - |

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| IE | 2021IE16RFPR002 | Southern, Eastern and Midland Regional Programme 2021–2027 | Y | | | | 0,00% | 0,00% | € - |
| IT | 2021IT05FFPR001 | NP School and skills 2021-2027 | Y | | | | 0,00% | 0,00% | € - |
| IT | 2021IT05FFPR002 | NP Health equity 2021-2027 | Y | | | | 0,00% | 0,00% | € - |
| IT | 2021IT05FFPR003 | NP Social inclusion and poverty reduction 2021-2027 | Y | | | | 0,00% | 0,00% | € - |
| IT | 2021IT16FFPR001 | RP Molise ERDF ESF+ 2021-2027 | Y | | | | 0,00% | 0,00% | € - |
| IT | 2021IT16FFPR002 | RP Puglia ERDF ESF+ 2021-2027 | Y | | | | 0,00% | 0,00% | € - |
| IT | 2021IT16FFPR003 | RP Calabria ERDF ESF+ 2021-2027 | Y | | | | 1,13% | 0,00% | € 2.932.464,90 |
| IT | 2021IT16FFPR004 | RP Basilicata ERDF ESF+ 2021-2027 | Y | | | | 0,00% | 0,00% | € - |
| IT | 2021IT16FFPR005 | NP Metro+ and southern medium cities 2021-2027 | Y | | | | 0,00% | 0,00% | € - |
| IT | 2021IT16FFTA001 | NP Capacity for Cohesion TA 2021-2027 | Y | | | | 0,00% | 0,00% | € - |
| IT | 2021IT16JTPR001 | NP JTF 2021-2027 | Y | | | | 0,00% | 0,00% | € - |
| IT | 2021IT16RFPR001 | NP Research, innovation and competitiveness for green and digital transition 2021-2027 | Y | | | | 0,00% | 0,00% | € - |
| IT | 2021IT16RFPR002 | NP security for legality 2021-2027 | Y | | | | 0,00% | 0,00% | € - |

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| IT | 2021IT16RFPR003 | NP Culture 2021-2027 | Y | | | | 0,00% | 0,00% | € - |
| IT | 2021IT16RFPR004 | RP Abruzzo ERDF 2021-2027 | Y | | | | 0,00% | 0,00% | € - |
| IT | 2021IT16RFPR005 | RP Campania ERDF 2021-2027 | Y | | | | 0,00% | 0,00% | € 21.000.000,00 |
| IT | 2021IT16RFPR006 | RP Emilia-Romagna ERDF 2021-2027 | Y | | | | 0,30% | 0,30% | € 21.342.954,98 |
| IT | 2021IT16RFPR007 | RP Friuli-Venezia Giulia ERDF 2021-2027 | Y | | | | 0,00% | 0,00% | € - |
| IT | 2021IT16RFPR008 | RP Lazio ERDF 2021-2027 | Y | | | | 0,00% | 0,00% | € 27.714.196,92 |
| IT | 2021IT16RFPR009 | RP Liguria ERDF 2021-2027 | Y | | | | 0,00% | 0,00% | € 4.439.945,38 |
| IT | 2021IT16RFPR010 | RP Lombardia ERDF 2021-2027 | Y | | | | 0,00% | 0,00% | € - |
| IT | 2021IT16RFPR011 | RP Marche ERDF 2021-2027 | Y | | | | 0,78% | 0,26% | € 1.493.160,30 |
| IT | 2021IT16RFPR012 | RP AP Bolzano ERDF 2021-2027 | Y | | | | 0,00% | 0,00% | € - |
| IT | 2021IT16RFPR013 | RP AP Trento ERDF 2021-2027 | Y | | | | 0,00% | 0,00% | € - |
| IT | 2021IT16RFPR014 | RP Piemonte ERDF 2021-2027 | Y | | | | 0,00% | 0,00% | € 60.545.767,89 |
| IT | 2021IT16RFPR015 | RP Sardegna ERDF 2021-2027 | Y | | | | 0,00% | 0,00% | € 8.009.175,44 |
| IT | 2021IT16RFPR016 | RP Sicilia ERDF 2021-2027 | Y | | | | 0,00% | 0,00% | € - |
| IT | 2021IT16RFPR017 | RP Toscana ERDF 2021-2027 | Y | | | | 0,00% | 0,00% | € - |

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| IT | 2021IT16RFPR018 | RP Umbria ERDF 2021-2027 | Y | | | | 0,00% | 0,00% | € - |
| IT | 2021IT16RFPR019 | RP Valle d'Aosta ERDF 2021-2027 | Y | | | | 0,00% | 0,00% | € - |
| IT | 2021IT16RFPR020 | RP Veneto ERDF 2021-2027 | Y | | | | 0,00% | 0,00% | € 2.400.000,00 |
| LT | 2021LT16FFPR001 | Programme for the European Union funds' investments in 2021–2027 | Y | | | | 0,37% | 0,34% | € 371.661.631,10 |
| LU | 2021LU16FFPR001 | Investing in a smarter and greener Europe | Y | | | | 0,00% | 0,00% | € 155.689,93 |
| LV | 2021LV16FFPR001 | European Union Cohesion Policy programme 2021-2027 | Y | | | | 0,00% | 0,00% | € 62.132.544,27 |
| MT | 2021MT16FFPR001 | Towards a smarter, well connected and resilient economy, a greener environment and an integrated society | Y | | | | 0,00% | 0,00% | € - |
| NL | 2021NL16JTPR001 | Programme JTF 2021 – 2027 Netherlands | Y | | | | 0,00% | 0,00% | € 3.143.178,81 |
| NL | 2021NL16RFPR001 | Programme ERDF 2021-2027 North Netherlands | Y | | | | 0,00% | 0,00% | € - |
| NL | 2021NL16RFPR002 | Programme ERDF 2021-2027 West Netherlands | Y | | | | 0,00% | 0,01% | € - |
| NL | 2021NL16RFPR003 | Programme ERDF 2021-2027 South Netherlands | Y | | | | 0,00% | 0,00% | € - |

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| NL | 2021NL16RFPR004 | Programme ERDF 2021-2027 East Netherlands | Y | | | | 0,00% | 0,00% | € - |
| PL | 2021PL16FFPR001 | European Funds for Dolny Śląsk 2021-2027 | Y | | | | 0,00% | 0,00% | € 134.425.010,00 |
| PL | 2021PL16FFPR002 | European Funds for Kujawy and Pomorze 2021-2027 | Y | | | | 2,22% | 2,00% | € 57.409.746,36 |
| PL | 2021PL16FFPR003 | European Funds for Lubelskie 2021-2027 | Y | | | | 0,05% | 0,04% | € 120.341.931,30 |
| PL | 2021PL16FFPR004 | European Funds for Lubuskie 2021-2027 | Y | | | | 0,00% | 0,00% | € 12.983.877,92 |
| PL | 2021PL16FFPR005 | European Funds for Łódzkie 2021-2027 | Y | | | | 0,07% | 0,07% | € 67.661.400,87 |
| PL | 2021PL16FFPR006 | European Funds for Małopolska 2021-2027 | Y | | | | 0,00% | 0,00% | € 62.993.776,32 |
| PL | 2021PL16FFPR007 | European Funds for Mazowsze 2021-2027 | Y | | | | 0,09% | 0,08% | € 35.737.750,97 |
| PL | 2021PL16FFPR008 | European Funds for Opolskie 2021-2027 | Y | | | | 1,26% | 1,25% | € 23.043.181,36 |
| PL | 2021PL16FFPR009 | European Funds for Podkarpacie 2021-2027 | Y | | | | 0,00% | 0,00% | € 60.506.495,49 |
| PL | 2021PL16FFPR010 | European Funds for Podlaskie 2021-2027 | Y | | | | 0,00% | 0,00% | € 43.476.071,95 |

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| PL | 2021PL16FFPR011 | European Funds for Pomorze 2021-2027 | Y | | | | 0,05% | 0,05% | € 115.485.083,10 |
| PL | 2021PL16FFPR012 | European Funds for Silesia 2021-2027 | Y | | | | 0,89% | 0,86% | € 90.388.773,53 |
| PL | 2021PL16FFPR013 | European Funds for Świętokrzyskie 2021-2027 | Y | | | | 0,59% | 0,51% | € 61.917.145,60 |
| PL | 2021PL16FFPR014 | European Funds for Warmia and Mazury 2021-2027 | Y | | | | 0,40% | 0,39% | € 25.108.922,73 |
| PL | 2021PL16FFPR015 | European Funds for Wielkopolska 2021-2027 | Y | | | | 0,45% | 0,42% | € 41.030.004,04 |
| PL | 2021PL16FFPR016 | European Funds for Pomorze Zachodnie 2021-2027 | Y | | | | 0,00% | 0,00% | € 54.066.723,19 |
| PL | 2021PL16FFPR017 | European Funds for Infrastructure, Climate, Environment 2021-2027 | Y | | | | 0,00% | 0,00% | € 331.078.845,40 |
| PL | 2021PL16RFPR001 | EU Funds for Smart Economy 2021–2027 | Y | | | | 5,00% | 5,00% | € 304.811.338,60 |
| PL | 2021PL16RFPR002 | European Funds for Digital Development 2021-2027 | Y | | | | 0,00% | 0,00% | € 88.005.577,95 |
| PL | 2021PL16RFPR003 | The European Funds for Eastern Poland 2021-2027 | Y | | | | 0,04% | 0,04% | € 48.782.538,63 |
| PL | 2021PL16RFTA001 | Technical Assistance for European Funds 2021-2027 | Y | | | | 0,00% | 0,00% | € 57.409.470,62 |

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| PT | 2021PT16CFPR001 | Thematic Programme for Climate Action and Sustainability | Y | | | | 0,00% | 0,00% | € - |
| PT | 2021PT16FFPR001 | Madeira Regional Programme 2021-2027 | Y | | | | 0,00% | 0,00% | € - |
| PT | 2021PT16FFPR002 | Azores Regional Programme 2021-2027 | Y | | | | 0,00% | 0,00% | € 30.933.531,03 |
| PT | 2021PT16FFPR003 | Norte Regional Programme 2021-2027 | Y | | | | 0,00% | 0,00% | € - |
| PT | 2021PT16FFPR004 | Centro Regional Programme 2021-2027 | Y | | | | 0,00% | 0,00% | € - |
| PT | 2021PT16FFPR005 | Alentejo Regional Programme 2021-2027 | Y | | | | 0,00% | 0,00% | € - |
| PT | 2021PT16FFPR006 | Lisbon Regional Programme 2021-2027 | Y | | | | 0,00% | 0,00% | € - |
| PT | 2021PT16FFPR007 | Algarve Regional Programme 2021-2027 | Y | | | | 0,00% | 0,00% | € - |
| PT | 2021PT16FFPR009 | Innovation and Digital Transition Thematic Programme | Y | | | | 0,00% | 0,00% | € - |
| PT | 2021PT16RFTA001 | Technical Assistance Programme | Y | | | | 0,00% | 0,00% | € - |
| RO | 2021RO05FFPR001 | Social Inclusion and Dignity | Y | | | | 0,00% | 0,00% | € - |
| RO | 2021RO16FFPR001 | Sustainable development | Y | | | | 0,00% | 0,00% | € 276.634.641,60 |
| RO | 2021RO16FFPR002 | Transport | Y | | | | 0,00% | 0,00% | € 199.655.598,20 |

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| RO | 2021RO16FFPR003 | Health | Y | | | | 0,00% | 0,00% | € - |
| RO | 2021RO16FFTA004 | Technical Assistance | Y | | | | 0,00% | 0,00% | € 32.268.584,53 |
| RO | 2021RO16JTPR001 | Just Transition | Y | | | | 0,00% | 0,00% | € - |
| RO | 2021RO16RFPR001 | Smart growth, digitalization and financial instruments | Y | | | | 0,00% | 0,00% | € 1.089.890,77 |
| RO | 2021RO16RFPR002 | North East | Y | | | | 0,00% | 0,00% | € 14.554.508,19 |
| RO | 2021RO16RFPR003 | South East | Y | | | | 0,00% | 0,00% | € 7.939.848,12 |
| RO | 2021RO16RFPR004 | South Muntenia | Y | | | | 0,00% | 0,00% | € - |
| RO | 2021RO16RFPR005 | Central Region | Y | | | | 0,00% | 0,00% | € 10.644.839,58 |
| RO | 2021RO16RFPR006 | South-West Oltenia | Y | | | | 0,00% | 0,00% | € 2.404.291,73 |
| RO | 2021RO16RFPR007 | West | Y | | | | 0,00% | 0,00% | € 25.597.703,66 |
| RO | 2021RO16RFPR008 | North-West | Y | | | | 0,00% | 0,00% | € 76.701.154,97 |
| RO | 2021RO16RFPR009 | Bucharest-Ilfov | Y | | | | 0,00% | 0,00% | € - |
| SE | 2021SE16JTPR001 | Just Transition Fund National programme 2021-2027 | Y | | | | 0,00% | 0,00% | € 4.171.407,66 |
| SE | 2021SE16RFPR001 | European Regional Development Fund programme for Skåne-Blekinge 2021-2027 | Y | | | | 0,00% | 0,00% | € 3.387.479,66 |

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| | | | | (3) Total Error Rate | (4) Residual Total Error Rate | (5) Residual Total Error Rate removing impact of advances to financial instruments | (6) Total Error Rate reportable by EC | (7) Residual Total Error Rate reportable by EC | (8) Relevant Expediture (€) |
| SE | 2021SE16RFPR002 | European Regional Development Fund programme for Småland and the islands 2021-2027 | Y | | | | 0,00% | 0,00% | € 3.068.125,98 |
| SE | 2021SE16RFPR003 | European Regional Development Fund programme for West Sweden 2021-2027 | Y | | | | 0,00% | 0,00% | € 4.913.066,20 |
| SE | 2021SE16RFPR004 | European Regional Development Fund programme for East-Central Sweden 2021-2027 | Y | | | | 0,00% | 0,00% | € 6.031.311,12 |
| SE | 2021SE16RFPR005 | European Regional Development Fund programme for Stockholm 2021-2027 | Y | | | | 0,00% | 0,00% | € 1.823.577,99 |
| SE | 2021SE16RFPR006 | European Regional Development Fund programme for North-Central Sweden 2021-2027 | Y | | | | 0,00% | 0,00% | € 7.427.577,06 |
| SE | 2021SE16RFPR007 | European Regional Development Fund programme for Central Norrland 2021-2027 | Y | | | | 0,00% | 0,00% | € 3.201.907,67 |
| SE | 2021SE16RFPR008 | European Regional Development Fund programme for Upper Norrland 2021-2027 | Y | | | | 0,00% | 0,00% | € 8.875.310,16 |

| MS | Ref | Title | (1) MCS functioning effectively AAR2024 (Y/N/NA*): Y=Cat. 1-2; N=Cat. 3-4 | Accounting year 2022-2023 | | | Accounting year 2023-2024 | | |
|---|---|---|---|---|---|---|---|---|---|
| | | | | **Confirmed error rates after EC's audit assessment** (desk review of all OPs and risk-based compliance audits) | | | **'Reportable' error rates** (reported by audit authorities and, where necessary, adjusted by EC following preliminary consistency checks) | | |
| | | | | (3) Total Error Rate | (4) Residual Total Error Rate | (5) Residual Total Error Rate removing impact of advances to financial instruments | (6) Total Error Rate reportable by EC | (7) Residual Total Error Rate reportable by EC | (8) Relevant Expediture (€) |
| SE | 2021SE16RFPR009 | European Regional Development Fund National programme 2021-2027 | Y | | | | 0,00% | 0,00% | € 7.508.724,41 |
| SI | 2021SI16FFPR001 | Slovenia's EU Cohesion Policy Programme 2021-2027 | Y | | | | 0,00% | 0,00% | € - |
| SK | 2021SK16FFPR001 | Programme Slovakia - SK - ERDF/CF/JTF/ESF+ | Y | | | | 0,00% | 0,00% | € 135.637.027,20 |
| TC | 2021TC16FFIR001 | Urbact IV | Y | | | | 0,00% | 0,00% | € 3.318.024,07 |
| TC | 2021TC16FFOR001 | (Interreg VI-D) Madeira-Azores-Canary Islands (MAC) | Y | | | | 0,00% | 0,00% | € - |
| TC | 2021TC16FFOR002 | (Interreg VI-D) Mozambique Channel | Y | | | | 0,00% | 0,00% | € - |
| TC | 2021TC16FFOR003 | (Interreg VI-D) Caribbean | Y | | | | 0,00% | 0,00% | € - |
| TC | 2021TC16FFOR004 | (Interreg VI-D) Indian Ocean | Y | | | | 0,00% | 0,00% | € - |
| TC | 2021TC16FFOR005 | (Interreg VI-D) Amazonia | Y | | | | 0,00% | 0,00% | € - |
| TC | 2021TC16FFTN001 | (Interreg VI-B) Euro Mediterranean (EURO MED) | Y | | | | 0,00% | 0,00% | € - |
| TC | 2021TC16FFTN003 | (Interreg VI-B) Baltic Sea region | Y | | | | 0,07% | 0,00% | € 34.758.840,20 |
| TC | 2021TC16FFTN004 | (Interreg VI-B) Danube | Y | | | | 0,00% | 0,00% | € - |

| MS | Ref | Title | (1) MCS functioning effectively AAR2024 (Y/N/NA*): Y=Cat. 1-2; N=Cat. 3-4 | Accounting year 2022-2023 | | | Accounting year 2023-2024 | | |
|---|---|---|---|---|---|---|---|---|---|
| | | | | **Confirmed error rates after EC's audit assessment** (desk review of all OPs and risk-based compliance audits) | | | **'Reportable' error rates** (reported by audit authorities and, where necessary, adjusted by EC following preliminary consistency checks) | | |
| | | | | (3) Total Error Rate | (4) Residual Total Error Rate | (5) Residual Total Error Rate removing impact of advances to financial instruments | (6) Total Error Rate reportable by EC | (7) Residual Total Error Rate reportable by EC | (8) Relevant Expediture (€) |
| TC | 2021TC16FFTN005 | (Interreg VI-B) Northern Periphery and Arctic | Y | | | | 0,00% | 0,00% | € 3.263.879,03 |
| TC | 2021TC16IPCB001 | (Interreg VI-A) IPA CBC Hungary Serbia | Y | | | | 0,00% | 0,00% | € - |
| TC | 2021TC16IPCB002 | (Interreg VI-A) IPA CBC Romania Serbia | Y | | | | 0,00% | 0,00% | € - |
| TC | 2021TC16IPCB003 | (Interreg VI-A) IPA CBC Croatia Serbia | Y | | | | 0,00% | 0,00% | € - |
| TC | 2021TC16IPCB004 | (Interreg VI-A) IPA CBC Croatia-Bosnia and Herzegovina-Montenegro | Y | | | | 0,00% | 0,00% | € - |
| TC | 2021TC16IPCB005 | (Interreg VI-A) IPA CBC Bulgaria Turkey | Y | | | | 0,00% | 0,00% | € - |
| TC | 2021TC16IPCB006 | (Interreg VI-A) IPA CBC Bulgaria North Macedonia | Y | | | | 0,00% | 0,00% | € - |
| TC | 2021TC16IPCB007 | (Interreg VI-A) IPA CBC Bulgaria Serbia | Y | | | | 0,00% | 0,00% | € - |
| TC | 2021TC16IPCB008 | (Interreg VI-A) IPA CBC South Adriatic (Italy-Albania-Montenegro) | Y | | | | 0,00% | 0,00% | € - |
| TC | 2021TC16IPCB009 | (Interreg VI-A) IPA CBC Greece North Macedonia | Y | | | | 0,00% | 0,00% | € - |
| TC | 2021TC16IPCB010 | (Interreg VI-A) IPA CBC Greece Albania | Y | | | | 0,00% | 0,00% | € - |

| MS | Ref | Title | (1) MCS functioning effectively AAR2024 (Y/N/NA*): Y=Cat. 1-2; N=Cat. 3-4 | Accounting year 2022-2023 | | | Accounting year 2023-2024 | | |
|---|---|---|---|---|---|---|---|---|---|
| | | | | **Confirmed error rates after EC's audit assessment** (desk review of all OPs and risk-based compliance audits) | | | **'Reportable' error rates** (reported by audit authorities and, where necessary, adjusted by EC following preliminary consistency checks) | | |
| | | | | (3) Total Error Rate | (4) Residual Total Error Rate | (5) Residual Total Error Rate removing impact of advances to financial instruments | (6) Total Error Rate reportable by EC | (7) Residual Total Error Rate reportable by EC | (8) Relevant Expediture (€) |
| TC | 2021TC16IPTN001 | (Interreg VI-B) Adriatic-Ionian | Y | | | | 0,00% | 0,00% | € - |
| TC | 2021TC16NXCB009 | (Interreg VI-A) NEXT Poland Belarus Ukraine | Y | | | | 0,00% | 0,00% | € - |
| TC | 2021TC16NXCB010 | (Interreg VI-A) NEXT Huskroua | Y | | | | 0,00% | 0,00% | € - |
| TC | 2021TC16NXCB011 | (Interreg VI-A) NEXT Romania Moldova | Y | | | | 0,00% | 0,00% | € - |
| TC | 2021TC16NXCB012 | (Interreg VI-A) NEXT Romania Ukraine | Y | | | | 0,00% | 0,00% | € - |
| TC | 2021TC16NXCB013 | (Interreg VI-A) NEXT Italy Tunisia | Y | | | | 0,00% | 0,00% | € - |
| TC | 2021TC16NXTN001 | (Interreg VI-B) NEXT Mediterranean Sea Basin (NEXT MED) | Y | | | | 0,00% | 0,00% | € - |
| TC | 2021TC16NXTN002 | (Interreg VI-B) Interreg NEXT Black Sea Basin | Y | | | | 0,00% | 0,00% | € - |
| TC | 2021TC16RFCB001 | (Interreg VI-A) The Netherlands-Belgium-Germany (Euregio Maas-Rijn/ Euregio Meuse-Rhin/Euregio Maas-Rhein) | Y | | | | 0,00% | 0,00% | € - |
| TC | 2021TC16RFCB002 | (Interreg VI-A) Austria-Czechia | Y | | | | 0,00% | 0,00% | € - |
| TC | 2021TC16RFCB003 | (Interreg VI-A) Slovakia-Austria | Y | | | | 0,00% | 0,00% | € - |
| TC | 2021TC16RFCB004 | (Interreg VI-A) Austria-Germany/Bavaria | Y | | | | 0,00% | 0,00% | € 4.151.061,28 |

| MS | Ref | Title | (1) MCS functioning effectively AAR2024 (Y/N/NA*): Y=Cat. 1-2; N=Cat. 3-4 | Accounting year 2022-2023 | | | Accounting year 2023-2024 | | |
|---|---|---|---|---|---|---|---|---|---|
| | | | | **Confirmed error rates after EC's audit assessment** (desk review of all OPs and risk-based compliance audits) | | | **'Reportable' error rates** (reported by audit authorities and, where necessary, adjusted by EC following preliminary consistency checks) | | |
| | | | | (3) Total Error Rate | (4) Residual Total Error Rate | (5) Residual Total Error Rate removing impact of advances to financial instruments | (6) Total Error Rate reportable by EC | (7) Residual Total Error Rate reportable by EC | (8) Relevant Expediture (€) |
| TC | 2021TC16RFCB005 | (Interreg VI-A) Spain-Portugal (POCTEP) | Y | | | | 0,00% | 0,00% | € - |
| TC | 2021TC16RFCB006 | (Interreg VI-A) Spain-France-Andorra (POCTEFA) | Y | | | | 0,00% | 0,00% | € - |
| TC | 2021TC16RFCB007 | (Interreg VI-A) Hungary-Croatia | Y | | | | 0,00% | 0,00% | € - |
| TC | 2021TC16RFCB008 | (Interreg VI-A) Germany/Bavaria-Czechia | Y | | | | 0,00% | 0,00% | € - |
| TC | 2021TC16RFCB009 | (Interreg VI-A) Austria-Hungary | Y | | | | 0,00% | 0,00% | € - |
| TC | 2021TC16RFCB010 | (Interreg VI-A) Germany/Brandenburg-Poland | Y | | | | 0,00% | 0,00% | € - |
| TC | 2021TC16RFCB011 | (Interreg VI-A) Poland-Slovakia | Y | | | | 0,07% | 0,00% | € 160.126,76 |
| TC | 2021TC16RFCB012 | (Interreg VI-A) Poland-Denmark-Germany-Lithuania-Sweden (South Baltic) | Y | | | | 0,00% | 0,00% | € - |
| TC | 2021TC16RFCB013 | (Interreg VI-A) Finland-Estonia-Latvia-Sweden (Central Baltic) | Y | | | | 0,07% | 0,00% | € 6.445.544,63 |
| TC | 2021TC16RFCB014 | (Interreg VI-A) Hungary-Slovakia | Y | | | | 0,00% | 0,00% | € - |
| TC | 2021TC16RFCB015 | (Interreg VI-A) Sweden-Norway | Y | | | | 0,07% | 0,00% | € 1.544.655,86 |
| TC | 2021TC16RFCB016 | (Interreg VI-A) Germany/Saxony-Czechia | Y | | | | 0,00% | 0,00% | € - |

| MS | Ref | Title | (1) MCS functioning effectively AAR2024 (Y/N/NA*): Y=Cat. 1-2; N=Cat. 3-4 | Accounting year 2022-2023 | | | Accounting year 2023-2024 | | |
|---|---|---|---|---|---|---|---|---|---|
| | | | | **Confirmed error rates after EC's audit assessment** (desk review of all OPs and risk-based compliance audits) | | | **'Reportable' error rates** (reported by audit authorities and, where necessary, adjusted by EC following preliminary consistency checks) | | |
| | | | | (3) Total Error Rate | (4) Residual Total Error Rate | (5) Residual Total Error Rate removing impact of advances to financial instruments | (6) Total Error Rate reportable by EC | (7) Residual Total Error Rate reportable by EC | (8) Relevant Expediture (€) |
| TC | 2021TC16RFCB017 | (Interreg VI-A) Poland-Germany/Saxony | Y | | | | 0,00% | 0,00% | € - |
| TC | 2021TC16RFCB018 | (Interreg VI-A) Germany/Mecklenburg-Western Pomerania/Brandenburg-Poland | Y | | | | 0,00% | 0,00% | € - |
| TC | 2021TC16RFCB019 | (Interreg VI-A) Greece-Italy | Y | | | | 0,00% | 0,00% | € - |
| TC | 2021TC16RFCB020 | (Interreg VI-A) Romania-Bulgaria | Y | | | | 0,00% | 0,00% | € - |
| TC | 2021TC16RFCB021 | (Interreg VI-A) Greece-Bulgaria | Y | | | | 0,00% | 0,00% | € - |
| TC | 2021TC16RFCB022 | (Interreg VI-A) Germany-The Netherlands | Y | | | | 0,07% | 0,00% | € 10.359.379,94 |
| TC | 2021TC16RFCB023 | (Interreg VI-A) Germany-Austria-Switzerland-Liechtenstein (Alpenrhein-Bodensee-Hochrhein) | Y | | | | 0,00% | 0,00% | € - |
| TC | 2021TC16RFCB024 | (Interreg VI-A) Czechia-Poland | Y | | | | 0,00% | 0,00% | € - |
| TC | 2021TC16RFCB025 | (Interreg VI-A) Sweden-Denmark-Norway (Öresund-Kattegat-Skagerrak) | Y | | | | 0,07% | 0,00% | € 7.209.659,80 |
| TC | 2021TC16RFCB026 | (Interreg VI-A) Latvia-Lithuania | Y | | | | 0,00% | 0,00% | € - |
| TC | 2021TC16RFCB027 | (Interreg VI-A) Sweden-Finland-Norway (AURORA) | Y | | | | 0,07% | 0,00% | € 8.375.211,69 |
| TC | 2021TC16RFCB028 | (Interreg VI-A) Slovenia-Croatia | Y | | | | 0,00% | 0,00% | € - |

| MS | Ref | Title | (1) MCS functioning effectively AAR2024 (Y/N/NA*): Y=Cat. 1-2; N=Cat. 3-4 | Accounting year 2022-2023 | | | Accounting year 2023-2024 | | |
|---|---|---|---|---|---|---|---|---|---|
| | | | | **Confirmed error rates after EC's audit assessment** (desk review of all OPs and risk-based compliance audits) | | | **'Reportable' error rates** (reported by audit authorities and, where necessary, adjusted by EC following preliminary consistency checks) | | |
| | | | | (3) Total Error Rate | (4) Residual Total Error Rate | (5) Residual Total Error Rate removing impact of advances to financial instruments | (6) Total Error Rate reportable by EC | (7) Residual Total Error Rate reportable by EC | (8) Relevant Expediture (€) |
| TC | 2021TC16RFCB029 | (Interreg VI-A) Slovakia-Czechia | Y | | | | 0,00% | 0,00% | € - |
| TC | 2021TC16RFCB030 | (Interreg VI-A) Lithuania-Poland | Y | | | | 0,00% | 0,00% | € - |
| TC | 2021TC16RFCB031 | (Interreg VI-A) Italy-France (Maritime) | Y | | | | 0,00% | 0,00% | € - |
| TC | 2021TC16RFCB032 | (Interreg VI-A) France-Italy (ALCOTRA) | Y | | | | 0,07% | 0,00% | € 1.790.305,75 |
| TC | 2021TC16RFCB033 | (Interreg VI-A) Italy-Switzerland | Y | | | | 0,00% | 0,00% | € - |
| TC | 2021TC16RFCB034 | (Interreg VI-A) Italy-Slovenia | Y | | | | 0,07% | 0,00% | € 3.556.300,69 |
| TC | 2021TC16RFCB035 | (Interreg VI-A) Italy-Malta | Y | | | | 0,00% | 0,00% | € - |
| TC | 2021TC16RFCB036 | (Interreg VI-A) France-Germany-Switzerland (Upper Rhine) | Y | | | | 0,00% | 0,00% | € - |
| TC | 2021TC16RFCB037 | (Interreg VI-A) France-Switzerland | Y | | | | 0,00% | 0,00% | € - |
| TC | 2021TC16RFCB038 | (Interreg VI-A) Italy-Croatia | Y | | | | 0,00% | 0,00% | € - |
| TC | 2021TC16RFCB039 | (Interreg VI-A) Belgium-France (Wallonie-Vlaanderen-France) | Y | | | | 0,00% | 0,00% | € - |
| TC | 2021TC16RFCB040 | (Interreg VI-A) France-Belgium-Germany-Luxembourg (Grande Région/Großregion) | Y | | | | 0,00% | 0,00% | € - |
| TC | 2021TC16RFCB041 | (Interreg VI-A) Belgium-The Netherlands (Vlaanderen-Nederland) | Y | | | | 0,07% | 0,00% | € 11.941.360,91 |

| MS | Ref | Title | (1) MCS functioning effectively AAR2024 (Y/N/NA*): Y=Cat. 1-2; N=Cat. 3-4 | Accounting year 2022-2023 | | | Accounting year 2023-2024 | | |
|---|---|---|---|---|---|---|---|---|---|
| | | | | **Confirmed error rates after EC's audit assessment** (desk review of all OPs and risk-based compliance audits) | | | **'Reportable' error rates** (reported by audit authorities and, where necessary, adjusted by EC following preliminary consistency checks) | | |
| | | | | (3) Total Error Rate | (4) Residual Total Error Rate | (5) Residual Total Error Rate removing impact of advances to financial instruments | (6) Total Error Rate reportable by EC | (7) Residual Total Error Rate reportable by EC | (8) Relevant Expediture (€) |
| TC | 2021TC16RFCB042 | (Interreg VI-A) Romania-Hungary | Y | | | | 0,00% | 0,00% | € - |
| TC | 2021TC16RFCB043 | (Interreg VI-A) Estonia-Latvia | Y | | | | 0,07% | 0,00% | € 1.274.796,35 |
| TC | 2021TC16RFCB044 | (Interreg VI-A) Italy-Austria | Y | | | | 0,00% | 0,00% | € - |
| TC | 2021TC16RFCB045 | (Interreg VI-A) Slovenia-Hungary | Y | | | | 0,00% | 0,00% | € - |
| TC | 2021TC16RFCB046 | (Interreg VI-A) Slovenia-Austria | Y | | | | 0,00% | 0,00% | € - |
| TC | 2021TC16RFCB047 | (Interreg VI-A) Greece-Cyprus | Y | | | | 0,00% | 0,00% | € - |
| TC | 2021TC16RFCB048 | (Interreg VI-A) Germany-Denmark | Y | | | | 0,00% | 0,00% | € - |
| TC | 2021TC16RFIR001 | (Interreg VI-C) Interreg Europe | Y | | | | 0,00% | 0,00% | € 8.955.862,29 |
| TC | 2021TC16RFIR002 | (Interreg VI-C) Interact | Y | | | | 0,07% | 0,00% | € 7.717.673,14 |
| TC | 2021TC16RFIR004 | ESPON 2030 Cooperation Programme | Y | | | | 0,00% | 0,00% | € 4.580.592,13 |
| TC | 2021TC16RFPC001 | PEACE PLUS Ireland-Northern Ireland/United Kingdom | Y | | | | 0,00% | 0,00% | € - |
| TC | 2021TC16RFTN001 | (Interreg VI-B) Alpine Space | Y | | | | 0,07% | 0,00% | € 12.774.137,78 |
| TC | 2021TC16RFTN002 | (Interreg VI-B) Atlantic Area | Y | | | | 0,00% | 0,00% | € - |
| TC | 2021TC16RFTN003 | (Interreg VI-B) Central Europe | Y | | | | 0,07% | 0,00% | € 26.671.384,29 |
| TC | 2021TC16RFTN004 | (Interreg VI-B) North Sea | Y | | | | 0,07% | 0,00% | € 14.290.094,58 |

| MS | Ref | Title | (1) MCS functioning effectively AAR2024 (Y/N/NA*): Y=Cat. 1-2; N=Cat. 3-4 | Accounting year 2022-2023 | | | Accounting year 2023-2024 | | |
|---|---|---|---|---|---|---|---|---|---|
| | | | | **Confirmed error rates after EC's audit assessment** (desk review of all OPs and risk-based compliance audits) | | | **'Reportable' error rates** (reported by audit authorities and, where necessary, adjusted by EC following preliminary consistency checks) | | |
| | | | | (3) Total Error Rate | (4) Residual Total Error Rate | (5) Residual Total Error Rate removing impact of advances to financial instruments | (6) Total Error Rate reportable by EC | (7) Residual Total Error Rate reportable by EC | (8) Relevant Expediture (€) |
| TC | 2021TC16RFTN005 | (Interreg VI-B) North West Europe | Y | | | | 0,00% | 0,00% | € 4.202.151,69 |
| TC | 2021TC16RFTN006 | (Interreg VI-B) South West Europe (SUDOE) | Y | | | | 0,00% | 0,00% | € - |

2021-2027 List of programmes with deficiencies in the functioning of the management and control systems (MCS)

| MS | CCI | Programme Title | Authority concerned | Part of the MCS for which deficiencies were identified (KR) | Reservation Y/N | Relevant expenditure 2024 REGIO | % of relevant expenditure in 2024 |
|---|---|---|---|---|---|---|---|
| DE | 2021DE16FFPR001 | Programme ERDF/JTF 2021-2027 Brandenburg | MA | A DAC audit on public procurement for the 2014-2020 programme led to prudently request corrective measure for the control of public procurement expenditure in the successor 2021-2027 programme. | N | €18.940.500,01 | 0,33% |
| DE | 2021DE16FFPR003 | Programme ERDF/JTF 2021-2027 Saxony | AA; MA; IB | For the predecessor 2014-2020 programme, the DAC detected a deficiency in KR 4 (management verifications) with regard to overheads expenditure declared by a large beneficiary of research and development projects (Fraunhofer institute), that continues to affect the successor programme as long as the system is not adjusted. | N | €0,00 | 0,00% |
| DE | 2021DE16FFPR004 | Programme ERDF/JTF 2021-2027 Saxony-Anhalt | MA | For the predecessor 2014-2020 programme, the DAC detected deficiencies in KR 4 (management verifications), and ECA reported a systemic deficiency with regard to management verifications in relation to overheads expenditure declared by a large beneficiary of research and development projects (Fraunhofer institute), that continues to affect the successor programme as long as the system is not adjusted. | N | €0,00 | 0,00% |
| DE | 2021DE16RFPR007 | Programme ERDF 2021-2027 Mecklenburg-Vorpommern | AA | Assessment based on the predecessor programme 2014-2020 with issues on the audit | Y | €0,00 | 0,00% |

| MS | CCI | Programme Title | Authority concerned | Part of the MCS for which deficiencies were identified (KR) | Reservation Y/N | Relevant expenditure 2024 REGIO | % of relevant expenditure in 2024 |
|---|---|---|---|---|---|---|---|
| | | | | authority on both KRs 16 and 18 that continues to affect the successor programme. | | | |
| FR | 2021FR16FFPR013 | Programme Guadeloupe ERDF-ESF+ 2021-2027 | MA | Assessment based on the predecessor 2014-2020 programme. No ACR submitted (no updated audit information available). The audit authority has carried out a system audit on the new programme, results are awaited. | N | €0,00 | 0,00% |
| HU | 2021HU16FFPR003 | Integrated Transport Development Operational Programme Plus | MA | The total error rate is higher than 5%, indicating deficiencies in the management and control system. There is an ongoing DAC audit that revealed irregularities in 4 payment claims, all of which pertain to the same large project. | Y | -€130.519.887,00 | -2,29% |
| LT | 2021LT16FFPR001 | Programme for the European Union funds' investments in 2021–2027 | MA | Assessment based on the predecessor 2014 - 2020 programme with deficiencies on the verifications carried out on public procurement expenditure by the main IB (CPMA) and other irregularities not detected by other IBs that continue to affect the successor programme. | N | €371.661.631,10 | 6,51% |
| RO | 2021RO16JTPR001 | Just Transition | MA | A DAC early preventive system audit identified issues related to lack of capacity at the level of the MA (staff turnover, lack of expertise) and inadequate supervision activity by the MA over the IBs. | Y | €0,00 | 0,00% |

| MS | CCI | Programme Title | Authority concerned | Part of the MCS for which deficiencies were identified (KR) | Reservation Y/N | Relevant expenditure 2024 REGIO | % of relevant expenditure in 2024 |
|---|---|---|---|---|---|---|---|
| TC | 2021TC16FFOR002 | (Interreg VI-D) Mozambique Channel | MA | Assessment based on the predecessor 2014-2020 programme under payment interruption (warning) since 2021 (no action taken / reported so far to improve the system). In absence of updated audit information available (no ACR submitted this year) the Commission assesses that the identified deficiencies a continue to affect the successor programme. | N | €0,00 | 0,00% |
| TC | 2021TC16FFOR003 | (Interreg VI-D) Caribbean | MA | Assessment based on the predecessor 2014-2020 programme. No ACR submitted (no updated audit information available). The audit authority has carried out a system audit on the new programme, results are awaited. | N | €0,00 | 0,00% |
| TC | 2021TC16NXCB012 | (Interreg VI-A) NEXT Romania Ukraine | MA | An early preventive system audit by the audit authority revealed issues on the separation of functions and written arrangements for reporting,<br>supervising and monitoring delegated tasks to an intermediate body.<br>Corrective measures are ongoing, no impact on payments. | N | €0,00 | 0,00% |
| TC | 2021TC16RFCB001 | (Interreg VI-A) The Netherlands-Belgium-Germany (Euregio Maas-Rijn/ Euregio Meuse-Rhin/Euregio Maas-Rhein) | MA; CA/AF | Various deficiencies identified on the predecessor 2014-2020 programme that also affect the successor 2021-2027 programme: MA weaknesses in fraud prevention; risks on accounting function contracted year per year without (stable) allocated staff. | Y | €0,00 | 0,00% |
| | | | | **Total:** | | **€260.082.244,11** | **4,56%** |

2021-2027 List of programmes with deficiencies in part of the functioning of the management and control systems (MCS)

| MS | CCI | Programme Title | Authority concerned | Part of the MCS for which deficiencies were identified (KR) | Reservation Y/N | Relevant expenditure 2024 REGIO | % of relevant expenditure in 2024 |
|---|---|---|---|---|---|---|---|
| EL | 2021EL16FFPR004 | Transport | MA; IB | The new MCS for the PP 21-27 has not changed substantially compared to the MCS for the PP 14-20. There is an on-going warning for railway sector, based on EPPO investigation. | N | €85.151.669,16 | 1,49% |
| HU | 2021HU16FFPR001 | Economic Development and Innovation Operational Programme Plus | MA | Deficiencies in management verifications and ineffective antifraud measures for the priority axis 1 (except financial instruments) and priority axes 2,3,4,5 (but not 6). AA audit results show that management verifications are not robust yet (irregularities found for State aid, ineligible operation, and ineligible expenditure). | Y | -€36.032.878,16 | -0,63% |
| PL | 2021PL16RFPR001 | EU Funds for Smart Economy 2021–2027 | IB | Deficiencies in the measure 1.1, where there is a high risk of ineligible expenditure related to: i) the incorrect application of a flat rate for indirect costs (maximum risk of 5% for affected measures under Article 25 of the GBER ) and ii) failure to comply with the requirements related to depreciation costs in pilot lines. | Y | €304.811.338,60 | 5,34% |
| TC | 2021TC16RFCB003 | (Interreg VI-A) Slovakia-Austria | MA | Deficiencies in the AT part of the public procurement expenditure linked to cartel. | N | €0,00 | 0,00% |

| | | | | Total: | | €353.930.129,60 | 6,20% |
|---|---|---|---|---|---|---|---|

## 2021-2027: Audit authorities with weaknesses and requested improvements

| # | MS | CCI | Audit authority (AA) or control body concerned | Reasons | Reservation Y/N | Share of total ERDF/CF expenditure audited by AA/ control body | Relevant expenditure 2024 REGIO |
|---|---|---|---|---|---|---|---|
| 1 | DE | 2021DE16FFPR003 | Programme ERDF/JTF 2021-2027 Saxony | Deficiencies identified in audits of operations (Key requirement 13). The opinion is based on the Commission overall assessment of the functioning of the system and systemic deficiency detected by ECA in verification and audits of declared overheads declared by a large beneficiary for research projects (Fraunhofer institute) for the predecessor 2014-2020 programme. | N | 0,00% | € - |
| 2 | DE | 2021DE16FFPR004 | Programme ERDF/JTF 2021-2027 Saxony-Anhalt | Deficiencies identified in audits of operations (Key requirement 13). The opinion is based on the Commission overall assessment of the functioning of the system and systemic deficiency detected by ECA in verification and audits of declared overheads declared by a large beneficiary for research projects (Fraunhofer institute) for the predecessor 2014-2020 programme. | N | 0,00% | € - |
| 3 | PL | 2021PL16RFPR001 | EU Funds for Smart Economy 2021–2027 | Deficiencies reported in audits of operations (Key requirement 13) in particular in priority 1.1, which impacts the audit opinion (KR 15) on the programme EU Funds for Smart Economy. High risk of ineligible expenditure in priority 1,1 due to: i) ineligible project due to multiple errors, ii) several system findings and warning of corrective measures for Intermediate Body NCBiR in place. | N | 5,34% | € 304.,811,338.60 |
| | | | | **Total:** | | 5,34% | € 304.,811,338.60 |

## ANNEX 70: Assurance for ENI CBC

These programmes cover territorial cooperation between EU regions on external borders with the Southern and Eastern Neighbourhood countries. Following the full-scale invasion of Ukraine by Russia and in line with the Commission's decision to fully implement all EU restrictive measures, the Commission has suspended the cooperation with Russia and its ally Belarus in the European Neighbourhood Instrument cross-border cooperation programmes (ENI CBC 2014-2020) as well as in the Interreg Baltic Sea region 2014-2020 programme. This means, among others, that no further payments to Russia or Belarus can be made until further notice. The suspension had immediate effect for the nine ENI CBC programmes involving Russia and Belarus and for the 2014-2020 transnational programme Interreg Baltic Sea region. The Commission adopted a regulation (2022/2192) creating targeted provisions for the implementation of all cooperation programmes facing disruption. It allows for: a flexible approach when it comes to implementation of programmes and projects in Ukraine and Moldova and implementation of projects only in Member States without Russian and Belarussian partners.

The total EU funding for ENI CBC 2014-2020 programmes amounts to approximately EUR 1 billion. As a general rule, 50% comes from ERDF and 50% from ENI funds. IPA funds are also included in the Black Sea Basin programme (participation of Türkiye). These programmes contribute to both EU external (Neighbourhood) policy and EU regional policy.

The ENI CBC programmes are implemented under shared management. However, they have a different legal basis than Interreg programmes: ENI (Council) Regulation, ENI CBC Implementing Regulation No 897/2014 and ENI CBC multiannual strategic programming document apply. They combine elements of shared management, with some elements coming from EU external policy aspects.

ENI CBC programmes also have a different financial management system than other Interreg programmes. In particular, payments from the Commission to the programmes are done only as pre-financing paid at the request of the Managing Authorities (MA) and as a payment of a final balance at closure. There are no interim payment claims. Payment of the pre-financing is not linked to the expenditure incurred but on an annual needs' assessment by the programmes. The annual accounts are part of the annual report assessment package submitted by the managing authority every year by 15 February. The Commission receives the information about the certified expenditure incurred and paid by the ENI CBC programmes only once a year in the annual accounts which are part of the annual reports submitted on 15 February. The reports cover the preceding accounting year which covers July-June period. There, the MA reports the expenditure incurred and paid as certified by the audit authority. The Commission then clears the pre-financing on this basis (annual clearance until closure).

REGIO has completed its desk review of the two assurance packages received in February 2025 covering the expenditure declared for the final accounting year 2023-2024 and confirms all residual error rates below 2%. For the programme ENI-CBC Romania-Ukraine, previously identified with weaknesses in the management verifications regarding public procurement for the Romanian part of the programme, the requested corrective measures were implemented.

Based on the completed quality assessment for the accounting year 2022-2023, REGIO cleared **EUR 114 million** of expenditure paid for ENI-CBC operations and **EUR 14 million** for technical assistance. The next set of accounts and assurance packages will be received with the submission of the ENI CBC closure documents. Most programmes have requested an extension of the submission deadline until 15 February 2026. Closure will be done solely on the basis of the Commission Notice Guidelines on the Closure of ENI Cross-border Cooperation Programmes 2014-2020, as published in the Official Journal on 1 December 2023. For ENI CBC, the final accounting year is 15 months long, from 1 July 2023 until 30 September 2024.

Overall, a total amount of **EUR 876 million** was paid to the ENI-CBC programmes as pre-financing up to date. No further pre-financing payments are expected before closure.

## ANNEX 7P: Assurance for EU Solidarity Fund

In 2024, the Commission finalised the assessment of eight applications relating to natural disasters that occurred in 2023 and 2024. Three of these applications were 'major natural disaster' applications: floods in Slovenia in 2023; floods in Greece in 2023; floods in Southern Germany in 2024. Four applications were 'regional natural disasters': floods in Tuscany region of Italy in 2023; floods in the North of France in 2023; drought in Spain in 2024; and floods in the Valle d'Aosta region of Italy in 2024. There was also one 'neighbouring country natural disaster': floods in Austria in 2023. The Spanish application was rejected.

The Commission made two EUSF mobilisation proposals to the European Parliament and the Council based on these applications. Based on the Commission's first proposal, over EUR 1 028 million was awarded to Italy, Slovenia, Austria, Greece and France (all floods). Based on the Commission's second proposal, EUR 116 million was mobilised for Germany and Italy (both floods).

### Payments

In terms of payments, in 2024 over EUR 1 234 million was paid out to 5 Member States (Italy, Slovenia, Austria, Greece and France) and to Türkiye to support the recovery and reconstruction of the regions affected by the natural disasters of 2023.

### New application received in 2024

In total, the Commission received 12 natural disaster applications in 2024:

- a 'regional natural disaster' application from **Italy** regarding the floods in the Tuscany region in October 2023;
- a 'regional natural disaster' application from **France** following the floods in the North of France in November 2023;
- a 'regional natural disaster' application from **Spain** regarding the drought in the Andalusia region in 2024;
- a 'major natural disaster' application from **Germany** relating to the floods in May 2024;
- a 'regional natural disaster' application from **Italy** following the floods in the Valle d'Aosta region in June 2024.
- a 'neighbouring country natural disaster' application from **Austria** regarding the floods in September 2024;
- a 'regional natural disaster' application from **Poland** regarding the floods in September 2024;
- a 'major natural disaster' application from **Czechia** regarding the floods in September 2024;
- a 'neighbouring country natural disaster' from **Romania** regarding the floods in September 2024;
- a 'regional natural disaster' application from **Moldova** regarding the floods in September 2024;

- a ‘neighbouring country natural disaster’ from **Slovakia** regarding the floods in September 2024;
- and ‘major natural disaster’ application from **Bosnia and Herzegovina** regarding the floods in October 2024;

The assessment of the French, Spanish, German, Italian applications were concluded in 2024. The assessment of the applications from Austria, Poland, Czechia, Moldova, Slovakia and from Bosnia and Herzegovina are ongoing.

### EUSF audits by the Commission in 2024

At the level of the Commission, assurance on the legality and regularity of EUSF spending is mainly obtained through the desk review of the validity statements (audit opinions) provided by independent audit bodies, which may as well be audit authorities in charge of ERDF/CF programmes. These desk reviews are complemented by on the-spot-audits carried out on a risk basis by the DAC.

The weighted average error rate reported in the validity statements (audit opinions) accepted in 2024 is **1.1 %** and the weighted average residual error rate reported is **0%** ([44]).

In 2024, the Commission finalised two audits (Latvia Flooding 2017 and the Lower Bavaria flooding 2016) and carried out two audits (2017 Storm in Poland and 2018 Severe Weather in Italy).

For the audit on Latvia 2017 flooding, no ineligible expenditure was identified. For audit on the Lower Bavaria flooding 2016, ineligible expenditure was identified for an amount of EUR 1.1 million. The error rate for the total declared expenditure (EUR 30.5 million) after the Commission audit is 3.53%. However, taking into account the expenditure declared (and audited) in excess of the recalculated ([45]) EUSF grant, there is no residual error and no recovery is necessary. For the Polish 2017 storm audit, no ineligible expenditure was identified. Finally, DAC audited the Italy Severe Weather 2018 contribution. The error rate for the total declared expenditure (EUR 291 million) after the Commission audit is estimated at 1.29% (accepted by the Member State during the contradictory phase). However, taking into account the expenditure declared (and audited) in excess of the EUSF grant, there is no residual error and no recovery is necessary.

Based on the received audit opinions and audit work carried out so far, REGIO can conclude that it has reasonable assurance on the compliance of EUSF expenditure that was accepted. In 2024, no reservation is therefore necessary in relation to the EUSF payments.

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([44]) At the moment of the clearance of the advance, REGIO is aware of the share of irregularities in the total expenditure (error rate reported in the validity statements) and the amount of overbooking. For projects where the projected error is below the amount of overbooking the payment is known to be free of errors. The error rate, after taking into account the overbooking is 0% and represents the remaining risk at payment for the EUSF expenditure.

([45]) Considering the significantly lower amount of the damage incurred, as reported by the Member State in its Final Implementation Report, the assistance of EUR 31 475 125 initially granted by the Commission, in the framework of EUSF, to finance emergency measures to Germany in the context of the 2016 flooding in Lower Bavaria (CCI 2016DE16SPO001) was consequently adjusted to EUR 23 975 125 in line with the provisions of Article 10(2) of Regulation (EU) No 661/2014

# ANNEX 7Q: Assurance for direct and indirect management

### *Indirect management: Urban Innovative Actions*

### 2014-2020

The Urban Innovative Actions (UIA) is an instrument allowing the Commission to directly support cities to test new solutions to address urban challenges. With a budget of approximately EUR 372 million for the 2014-2020 period, the initiative is implemented through indirect management. Its management is delegated to the Entrusted Entity, the Hauts-de-France Region (France), which has established a Permanent Secretariat to manage it.

Themes of calls for proposals were defined by the Commission services (the fifth and the last call closed in 2020). The evaluation of proposals was carried out by an expert panel, set up in agreement with the Commission, and evaluation results subsequently reviewed by Commission services. Grants were selected and awarded by the Entrusted Entity and Commission's services based on defined rules and procedures in accordance with the principles set out in the Delegation Agreement. These include equal treatment, non-discrimination, adequate publication, prevention of conflict of interest, non-cumulative and non-retrospective award of grants, existence of transparent and effective review procedures, etc.

The Entrusted Entity is monitoring the operations and payments to beneficiaries. Ex-ante controls are carried out before the selection of each operation. Administrative controls for interim payments and on-the-spot visits are conducted by the first level controller under the supervision of the entrusted entity for each operation. The Entrusted Entity submits an annual implementation report each year by 15 February.

The Province of East Flanders (Belgium), as the certifying authority, prepares payment applications and submits accounts by 15 February each year.

The independent external auditor, who carries out system and operations audits through sampling, provides an annual control report and audit opinion to the Commission by 15 February each year on the legality & regularity of the payments included in the accounts. Audits are carried out in accordance with a multiannual audit strategy, which is submitted to and approved by the Commission services and reviewed annually.

The Commission supervises the budget implementation cycle and has the possibility to suspend payments, apply financial corrections or suspend the entrusted tasks in case of detected irregularities.

In 2024, the final projects of call five completed their implementation, and the last financial claims were submitted to the first-level controller, who conducted the necessary checks and validations.

Based on the work of the independent external auditor, the total error rate (related to expenditure certified from 1/7/2023 to 30/6/2024) is assessed at 0,0052% and the residual total error rate at 0,0046%.

### *Indirect management: European Urban Initiative*

### 2021-2027

The European Urban Initiative (EUI) is the new instrument established within the urban dimension of cohesion policy to support cities in building capacity and knowledge, fostering innovation, and developing transferable and scalable solutions to urban challenges of EU relevance. With a budget of EUR 395 million, the EUI supports cities through two strands: (a) funding innovative actions, which account for 75% of the overall budget, and (b) supporting cities of all sizes in building capacity and knowledge, representing 25% of the budget.

Building on the experience and lessons learned from the implementation of the UIA, the governance, operational model, and monitoring systems for the EUI, including payments and audits, are structured similarly to those of the UIA in the 2014–2020 period (see previous section).

The initiative is implemented through indirect management, with its administration delegated to the Hauts-de-France Region (France), which has established a Permanent Secretariat to oversee its operations. The Commission services define the themes of the calls for proposals. Proposals are evaluated by an expert panel, and the results are reviewed by both the Commission services and the Entrusted Entity. Grants are selected and awarded by the Entrusted Entity based on established rules and principles outlined in the Contribution Agreement.

The Entrusted Entity monitors operations and payments to beneficiaries and, conducts ex-ante controls before selecting operations. Administrative controls for interim payments and on-site visits are carried out by the first-level controller under the supervision of the Entrusted Entity. An annual implementation report is submitted by 15 February each year. The Province of East Flanders (Belgium), as the certifying authority, prepares payment applications and submits accounts by 15 February. The independent external auditor provides an annual control report and audit opinion on the legality and regularity of payments to the Commission by 15 February, based on a multiannual audit strategy. The Commission supervises the budget implementation cycle and has the possibility to suspend payments, apply financial corrections, or suspend entrusted tasks in cases of irregularities.

The Pillar Assessment on the adequacy of the EUI management and control system, required to finalise the signature of the Contribution Agreement between the Entrusted Entity (Conseil Régional des Hauts-de-France, selected again further to an open call for applications) and the Commission, was carried out in 2022. No major weaknesses or deficiencies were detected and the Pillar Assessment was completed in June 2022 with a positive audit opinion. The external auditors did not spot any material weakness or deficiency in the entity's control system, rules and procedures but provided some non-critical recommendations. The EC Auditors were able to close all recommendations of the EUI Pillar Assessment.

Based on the work of the independent external auditor, the total error rate (related to expenditure certified from 1/7/2023 to 30/6/2024) is assessed at 0% and the residual total error rate at 0%.

No expenses have been certified to the EC for the accounting year 2022-2023, and therefore there is no error rate to report.

### *Decentralised management with ex-ante controls: Instrument for Pre-Accession (IPA)*

The five IPA component III programmes for 2007-13 in Turkey, North Macedonia and Montenegro were managed under decentralised management, with the EU delegations carrying-out ex-ante controls on the tendering of contracts, launch of calls for proposals and the award of contracts and grants. This represented an important mitigating element in the overall assessment of the functioning of management and control systems in these candidate countries. The control systems were built on multiannual and multilevel controls whereby one level of control might rely on the work of previous controls performed by other bodies.

| Indicator | 2024 |
|---|---|
| Risk at payment for 2024 | 0.00% |

REGIO assessed for all three countries the National Authorising Officer (NAO)'s statements of assurance, the system audit reports, the annual audit work plans, the annual audit opinions and the annual audit activity reports, which were submitted at the end of 2018. On this basis, REGIO could conclude that the management and control systems were functioning effectively and obtained reasonable assurance on the legality and regularity of underlying transactions for all five programmes. However, in the same period of time, all these programmes applied the flexibility included in the IPA closure guideline (i.e. possibility under certain conditions to complete a selected number of non-functioning projects by 31 December 2019). The five programmes therefore started their closure process only in 2020. In the last months, significant closure progress has been made. The North Macedonian programme was closed at the end of 2024. The closure of the three Turkish programmes is also advancing well: two pre-closure letters were issued in 2023, a closure audit is on-going, and all three programmes should be closed in 2025, depending on the outcome of the audit. In 2024, payments were made for the Turkish Environment programme (EUR 39 million) and the Regional Development programme of North Macedonia (EUR 17.5 million).

### *Direct management*

The assurance model for direct management transactions is embedded in REGIO's internal control system: all transactions are processed according to the Financial Regulation and REGIO's financial circuits, which follow a partly decentralised model.

The assurance system for direct management comprises the following blocks:

Programming: overall and individual action

For technical assistance, assurance that operations cover the needs of the DG and are carried out according to priorities is derived from the programming exercise. The main objectives and priorities for technical assistance interventions are spelled out in the TA strategy. Specific actions implementing the TA strategy are identified by REGIO services and are consolidated and assessed against the overall strategy through the preparation of the annual Financing decision and its mid-year review. Reporting on the implementation of the TA strategy (financial execution of the yearly Financing Decision and annual progress in implementing the TA strategy) gives additional assurance that TA funds were used for their intended purpose.

Tendering and contracting

For the award of contracts and grants, REGIO has put in place partly decentralised financial circuits. In addition to these standard circuits, all administrative, financial and procedural tasks were centralised in the central financial unit (TA Cell).

Following the centralisation of the administrative, procedural and financial tasks in the TA Cell, the 4 eyes principle is applied within the TA Cell. Therefore, the role of the former Committee on Public Procurement and Grants (CIMS), checking the legality and regularity of the public procurement processes became redundant.

To provide assurance to the AO(S)D the 4-eyes principle is applied for all procedures in the TA Cell, and an additional ex-ante verification is performed by the Legal Unit before awarding contracts above the Directive ceiling.

Monitoring of implementation and payments

In accordance with the partly decentralised financial circuit, payments are approved following the 4-eye principle (each file is double-checked both on operational and financial aspects). Operational monitoring is carried out along the life of the contracts by the implementing services; generally through verifications of deliverables (e.g. interim, final reports).

Ex-post controls

In 2024, two direct grants were audited. They represent 10% of the total paid amount referring to auditable direct grants closed in 2023. Based on the draft reports issued, the detected error (amount) was less than EUR 149, representing an error rate of 0.03%.

On a three-year basis for grants, the average error rate is estimated at 0.03% of payments made.

On this basis, REGIO can conclude that it obtained reasonable assurance about the legality and regularity of the expenditure related to direct grants.

### *Budget implementation tasks entrusted to/by other services and entities*

This section reports and assesses the elements that support the assurance on the achievement of the internal control objectives as regards the results of the DG's supervisory controls on the budget implementation tasks carried out by other Commission services and entrusted entities distinct from the Commission.

REGIO received **cross-sub-delegations** from:

- GROW (EUR 0.2 million) for the Evaluation of the 2014 Public Procurement Directives Component 3 - Evaluation of Competition in Procurement Markets. Under this action, REGIO is supporting GROW in the procedural arrangements needed for association of the GROW funds to REGIO-WB trust fund concerning Component 3 - Evaluation of Competition in Procurement Markets.

- JRC (EUR 0.99 million) for the implementation of Action B — NEB Prizes to small municipalities of the European Parliament Pilot Project Stimulating Local and Regional New European Bauhaus Grassroots Projects. Under this action, which is implemented within the NEB Prizes 2025, the NEB Boost to small municipalities has a dedicated eligibility and award criteria. The winners will be established as a result of an evaluation procedure assisted by external experts. The action covers the actual prizes to be awarded, the provisions for expenses for the external experts, as well as administration and communication costs to facilitate the awarding of these prizes.

## ANNEX 7R: Fraud prevention and detection

In the year 2024, all actions foreseen in the Commission Anti-fraud Strategy (CAFS) Action Plan of 2023 with involvement of REGIO and in the Action Plan of the Joint Anti-fraud Strategy (JAFS) were successfully implemented or were in continuous implementation. The actions carried out during the year included the following key anti-fraud measures:

- Review and improve the ARACHNE risk scoring tool. Continue to promote its use among Member State authorities.
- Provide training and presentations to the staff of authorities of the Member States to support anti-fraud knowledge.
- Encourage Member States to put in place national anti-fraud strategies, provide advice and support in this respect and, where appropriate and possible, reinforce Member States' obligations throughout the anti-fraud cycle
- Continuously promote the better documentation in audit work (check lists) and report (in annual control reports) on the actions taken by auditors to identify fraud red flags.
- Encourage programme authorities to better report irregularities in IMS, for further analysis.
- Promote integrity pacts for safeguarding EU funds against fraud and corruption.
- Closely and regularly follow up with Member States OLAF's financial recommendations. See more details below.
- Develop cooperation with OLAF and EPPO services to improve the level of information available to the DG so that it can take the required precautionary measures to protect the EU budget and provide the required information, when investigations are open.

More in detail, the following key anti-fraud actions were implemented:

- The European Institute Public Administration (EIPA) organised two trainings, which were provided by experts with the participation of the DAC and were followed by practitioners from almost all Member States.
- REGIO participated with OLAF in 11 antifraud network meetings (FPDNet and COCOLAF), in 13 bilateral meetings targeting specific fraud cases and in other meetings on more general topics, allowing to enhance its knowledge basis and to increase cooperation on fraud prevention.
- To support the programme authorities in strengthening their work to identify and prevent fraud and corruption affecting cohesion policy funds, the European Commission invited Member States to make systematic use in the project selection, award and implementation phases of the Commission data-mining and risk-scoring tool ARACHNE and in particular of its newly released ex ante module (as per Action No2 of JAFS). The use of the tool, which remains currently voluntary, can help the programme authorities to identify, among others, possible risks of irregularities and fraud.

In relation to a continued supervision on the effective implementation of enhanced requirements in Article 61 of the 2018 Financial Regulation about **measures to prevent conflict of interest**, the DAC continued to verify, during all its audits, the effective implementation of mitigating actions by Member States in relation to programmes considered at risk.

On 31 December 2024, 105 OLAF cases were opened for REGIO.

**Commission audit systematically tackle fraud suspicions and risks of conflict of interest**

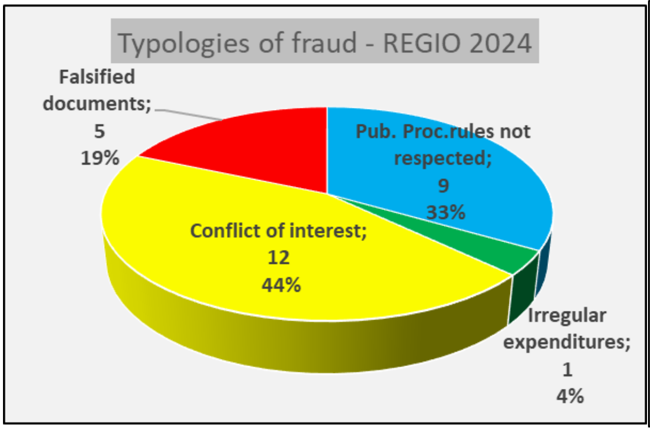
An early preventive system audit identified issues related to a lack of capacity at the level of the managing authority (staff turnover, lack of expertise) and inadequate supervision activity by the MA over the IBs.
In addition, the audit revealed an inadequate fraud risk assessment and suspicion of conflict of interest/incompatibility of functions for the director supervising the managing authority.

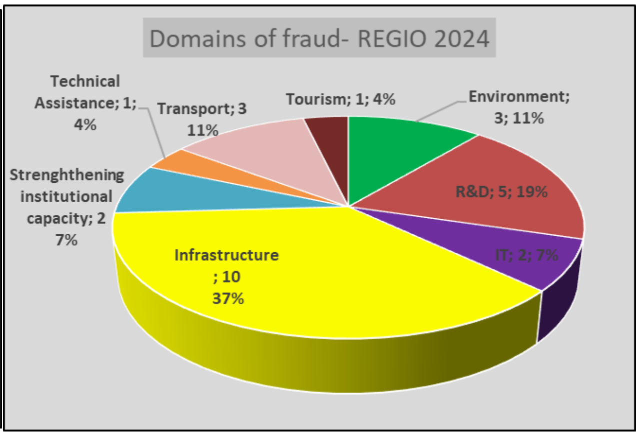
### *Closed OLAF cases*

In 2024, REGIO finalised the follow-up of 27 OLAF cases. The final case reports included recommendations to recover funds totalling EUR 228,2 million. In accordance with the regulatory basis and the applicable Guidelines for determining financial corrections, REGIO recovered EUR 56,5 million (recovery rate of 25%).

### *Typology and domains of fraud and projects affected*

The review of the 27 OLAF cases closed in 2024 shows that the most detected typology of fraud is "Conflict of interest" (41%), and the domain most affected is the field of "Infrastructure" (37 %).




OLAF final reports with financial recommendations for which the follow-up was completed by REGIO in 2024:

| OLAF number | REGIO STATUS | Period | Fund | Country | Programme | Financial Recommendation from OLAF (Final Report) (in EUR million) | Amount corrected by REGIO (in EUR million) |
|---|---|---|---|---|---|---|---|
| OC/2017/xxxx | Closed without recovery | 2007-2013 | ERDF | PL | 2007PL161PO006 OP Kujawsko-Pomorskie Voivodship | 0.11 | 0 |
| OC/2018/xxxx | Closed with recovery | 2007-2013 | ERDF | SK | 2007SK16UPO001 OP Research and Development | 1.24 | 0.38 |

| OLAF number | REGIO STATUS | Period | Fund | Country | Programme | Financial Recommendation from OLAF (Final Report) (in EUR million) | Amount corrected by REGIO (in EUR million) |
|---|---|---|---|---|---|---|---|
| OC/2018/xxxx | Closed with recovery | 2014-2020 | ERDF | PL | OP Infrastructure and Environment 2014PL16M1OP001 and Regional OP Zachodniopomorskie Voivodship 2014PL16M2OP016 | 7.86 | 0.18 |
| OC/2019/xxxx | Closed with recovery | 2007-2013 | CF | CS | OP Environment 2007CZ161PO006 | 8.63 | 2.32 |
| OC/2019/xxxx | Closed with recovery | 2014-2020 | ERDF | Interreg Europe | INTERREG Europe OP 2014TC16RFIR001 | 0.2 | 0.2 |
| OC/2019/xxxx | Closed with recovery | 2014-2020 | ERDF/ ESF | IT | OP Calabria and National OP "Sistemi di politiche attive per l'occupazione 2014-2020". | 0.04 | 0.04 |
| OC/2019/xxxx | Closed with recovery | 2007-2013 | ERDF | RO | 2007RO161PO002 OP "Increase of economic competitiveness" | 0.64 | 0.64 |
| OC/2019/xxxx | Closed with recovery | 2014-2020 | ERDF/ CF | HU | Environmental and Energy OP 2014HU16M1OP001 and Environmental and Energy Efficiency OP | 0.68 | 0.68 |
| OC/2020/xxxx | Closed with recovery | 2014-2020 | ERDF | HU | Territorial and Settlement Development OP 2014HU16M2OP001 (Terület- és Településfejlesztési Operatív Program) | 17.7 | 17.7 |
| OC/2020/xxxx | Closed without recovery | 2014-2020 | ERDF | PL | "Regional OP for the KujawskoPomorskie Voivodship 2014-2020" | 2.96 | 0 |
| OC/2020/xxxx | Closed with recovery | 2007-2013 | CF | CS | OP Environment 2007CZ161PO006 | 1.155 | 1.154 |
| OC/2020/xxxx | Closed with recovery | 2014-2020 | ERDF | HR | 2014HR16M1OP001 | 0.014 | 0.015 |
| OC/2021/xxxx | Closed without recovery | 2014-2020 | ERDF | Interreg CZ-PL | 2014TC16RFCB025 2014CZ16RFOP002 | 0.016 | 0 |
| OC/2021/xxxx | Closed without recovery | 2014-2020 | ERDF | PL | Slaskie Regional OP | 0.96 | 0 |
| OC/2021/xxxx | Closed with recovery | 2007-2013 | ERDF | HU | 2007HU16UPO001 Administration OP | 4.7 | 4.7 |
| OF/2013/xxxx | Closed with recovery | 2000-2006 / 2007-2013 | ERDF | DE | OP Sachsen-Anhalt | 162.3 | 9.76 |
| OC/2016/xxxx | Closed with recovery | 2007-2013 | ERDF | RO | 2007RO161PO002 OP "Increase of economic competitiveness" | 1.17 | 1.17 |
| OC/2016/xxxx | Closed with recovery | 2007-2013 | ERDF | RO | 2007RO161PO002 OP "Increase of economic competitiveness" | 0.98 | 0.98 |

| OLAF number | REGIO STATUS | Period | Fund | Country | Programme | Financial Recommendation from OLAF (Final Report) (in EUR million) | Amount corrected by REGIO (in EUR million) |
|---|---|---|---|---|---|---|---|
| OC/2016/xxxx | Closed with recovery | 2007-2013 | ERDF | RO | 2007RO161PO002 OP "Increase of economic competitiveness" | 0.17 | 0.17 |
| OC/2017/xxxx | Closed with recovery | 2007-2013 | ERDF | RO | 2007RO161PO002 OP "Increase of economic competitiveness" | 0.48 | 0.48 |
| OC/2017/xxxx | Closed without recovery | 2014-2020 | ERDF/ EASME/ EACEA | IPA-CBC MK | Transnational Cooperation Programme Balkan-Mediterranean 2014TC16M4TN003 | 0.0006 | 0 |
| OC/2018/xxxx | Closed WITH recovery | 2007-2013 | ERDF | RO | OP Regional 2007RO161PO001 | 3.9 | 3.9 |
| OC/2020/xxxx | Closed without recovery | 2014-2020 | ERDF | PL | Wielkopolskie Regional OP 2014PL16M2OP015 | 0.28 | 0 |
| OC/2022/xxxx | Closed with recovery | 2014-2020 | Interreg | Interreg | OP Interreg North Sea (the Netherlands) | 0.05 | 0.05 |
| OF/2012/xxxx | Closed with recovery | 2007-2013 | ERDF | RO | 2007RO161PO002 OP "Increase of economic competitiveness" | 7.4 | 7.4 |
| OF/2016/xxxx | Closed with recovery | 2007-2013 | ERDF | RO | 2007RO161PO002 OP "Increase of economic competitiveness" | 0.07 | 0.07 |
| OF/2016/xxxx | Closed with recovery | 2007-2013 | ERDF | RO | OP Regional 2007RO161PO001 | 4.5 | 4.5 |

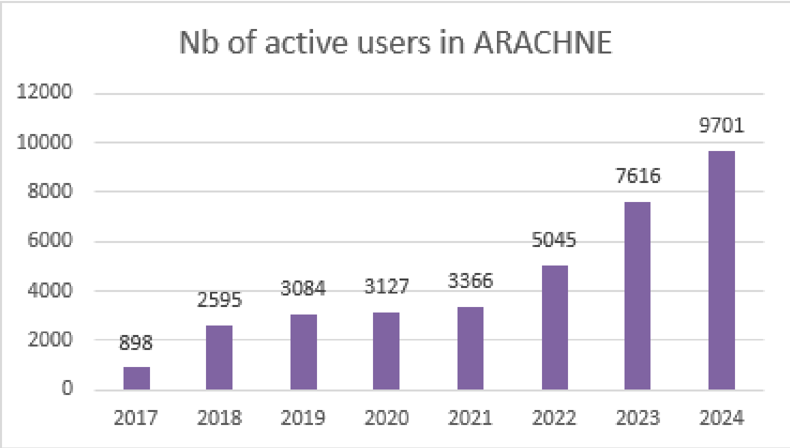
## Arachne

Arachne is a datamining and risk-scoring tool made available to all Member States' authorities that can help them to identify, among others, the presence of situations of conflict of interests and the risks of fraud.

Currently, Arachne is used in 23 Member States and UK. Arachne is currently a voluntary support tool for Member States.

The last years show that the number of connections as well as the number of active users is gradually increasing. At the end of 2024, the number of active users increased to 9.701.

The Arachne team provided
41 trainings and workshops in 2024 to 15 Member States (amongst which 9 in REGIO and EMPL),
8 Arachne presentations (ECA, EIPA, BUDG, OLAF, EPPO, IAS) and
10 internal training sessions for EC auditors.




In February 2024 Arachne 2.4 was released and the following functionalities are now available:

- Integration of Beneficial Owners data for enhanced risk assessment.
- Introduction of new project types for agricultural funds (EAFRD and EAGF).
- Expansion of coverage to various new funds.
- Usability improvements, such as tooltips for better understanding.
- Implementation of automatic data upload via a web service.
- Enhancement of the matching process.

## ANNEX 7S: Glossary of terms

**Accounting year:** a period of 1 July year N until 30 June year N+1

**Annual accounts**: They are submitted by Member States every year as part of the assurance package (15 February or 1 March if an extension is requested). The annual accounts present the expenditure that was incurred during the relevant reference period and are submitted to the Commission for reimbursement. According to Article 126(b) CPR, it is the programme's Certifying Authority (CA) who is responsible for drawing up the accounts. The CA is also responsible for certifying the completeness, accuracy and veracity of the accounts and that the expenditure entered in the accounts complies with applicable law and has been incurred in respect of operations selected for funding in accordance with the criteria applicable to the programme. Accounts are submitted by 15 February in the year following the end of the accounting year, per Fund and programme. Following the submission of the accounts, the Commission proceeds with the examination of the accounts and provides its conclusion as for their acceptance by 31 May at the latest.

**Accounting function** (2021-2027 programming period): The accounting function is carried out either directly by the managing authority or by an appointed body and is in charge of drawing up and submitting payment applications and accounts to the Commission; the accounting function does not comprise verifications at the level of beneficiaries (one of the simplification measures

**Annual activity report (AAR)**: An internal management report submitted to the Commissioners by the Director-General of each Commission DG. Each AAR covers the relevant DG's management and internal control, and its performance in relation to the key objectives and activities identified in its management plan. The AAR includes a declaration by the relevant Director-General or head of department on the financial information provided in the AAR.

**Assurance package**: Set of documents which each Member State submits to the Commission yearly in respect of the ESI funds, comprising the annual accounts, annual summary, annual control report, management declaration and audit opinion.

**Audit authority**: It is a national or regional public authority or body designated for each operational programme and responsible for verifying the effective functioning of the management and control system. It also monitors project compliance with national and European regulations. The Member State designates an audit authority for each operational programme (along with a managing authority and certifying authority).

**Authorising Officer by (Sub-) Delegation (AO(S)D)**: Person responsible for implementing revenue and expenditure in accordance with the Financial Regulation and the principles of sound financial management, and for ensuring compliance with legality and regularity requirements.

**Beneficiary**: A natural or legal person receiving a subsidy from the EU budget.

**Certifying authority (2014-2020 programming period)**: It is responsible for guaranteeing the accuracy and probity of statements of expenditure and requests for payments before they are sent to the European Commission.

**Closure of programmes**: It refers to the settlement of EU budgetary commitments of the programming period for each OP. This closure is done through the payment of the final balance to the competent national authority of the OP. It also refers to the period until which all the EC and Member State rights and obligations remain valid in respect of assistance to operations. Till the period 2007-2013, the closure was done at the end of the multi-annual financial period. Since the period 2014-2020 the closure is done annually, based on the closure (payment or recovery) of the annual accounts. In relation to the **closure of the 2014-2020 programmes,** the finalisation of all **legality and regularity** issues may take place after the payment of the final balance of the last accounting year, given that the legality and regularity can only be closed once REGIO has assurance that the estimated residual total error rate (RTER) per programme does not exceed 2% for all accounting years and that all identified irregularities and risks were appropriately addressed. This may entail compliance audits on expenditure of the last accounting year and/or following-up on any open issues such as prior payment interruptions, suspensions or financial corrections, stemming from previous audit work.

**Confirmed R(T)ER**: Residual (total) error rate of the accounting year N-1 confirmed by the Commission after having carried out the audit cycle, i.e. thorough desk verifications of all annual control reports and on-the-spot compliance audits by the Commission and the European Court of Auditors for a sample of programmes, in particular when risks were identified. The confirmed error rates are determined after carrying out the entire audit cycle but before the finalisation of the contradictory procedure with Member States and can thus still evolve afterwards.

**Cumulative residual risk**: The expenditure which remains irregular at the end of the 2007-2013 programming period, once all corrective measures have been taken on the cumulative expenditure declared over the programming period. For the period 2014-2020, annual accounts were introduced and the residual risk is therefore the annual confirmed RTER. See also the explanation about the closure of 2007-2013 programmes.

**Declaration of assurance**: Declaration by a Commission Director-General, in their annual activity report, on the completeness and accuracy of the accounts, the legality and regularity of the transactions underlying them, the functioning of internal control systems, and adherence to the principles of sound financial management.

**Deductions from the accounts**: The deduction can be definitive and in line with Art. 137(2) CPR (due to ongoing assessment of the legality and regularity of the concerned expenditure). 1) Definitive implemented deductions are the result of management verifications, audits by audit authorities or follow-up to accepted findings from Commission and ECA audits or OLAF investigations performed with regard to expenditure already declared to the Commission in an interim payment claim. 2) Deductions in line with Art. 137(2) CPR involve further controls regarding the legality and regularity of expenditure. Once these controls are finalised, only the expenditure deemed legal and regular is re-introduced in an interim payment claim.

**Direct management**: The EC implements the budget directly through its services (including through its staff in the EU Delegations or Executive Agencies).

**Error**: An error is a quantifiable overstatement of the expenditure declared to the EC by Member States. Errors can be due to clerical mistakes, irregularities, fraud, etc.

**Estimated future corrections**: These are the amounts to be corrected to reduce the confirmed R(T)ER without the impact of financial instruments advances to at least 2% for each single programme. As the Commission uses the confirmed R(T)ER without the impact of financial instruments advances, the estimated future corrections are considered a conservative estimate ([46]).

**Financial corrections**: Financial corrections are withdrawals of funding that take place after the expenditure was declared to the Commission in an interim payment claim. The Commission is committed to recovering funds that have been obtained or used wrongly or fraudulently and will use the full force of the law to track down such payments. Financial corrections can be net (see below "net financial corrections"). The Commission has a range of controls available to ensure that EU funding is spent properly.

**Fraud**: The term fraud is commonly used to describe a wide range of misconducts including theft, corruption, embezzlement, bribery, forgery, misrepresentation, collusion, money laundering, conflict of interest and concealment of material facts. It often involves the use of deception to make a personal gain for oneself, a connected person or a third party, or a loss for another. The EU Treaty defines fraud, in respect of expenditure, as an intentional act or omission related to:

- The use or presentation of false, incorrect or incomplete statements or documents, which has as its effect the misappropriation or wrongful retention of funds from the EU;
- Non-disclosure of information in violation of a specific obligation, with the same effect;
- The misapplication of such funds for purposes other than those for which they were originally granted.

**Indirect management**: The EC delegates the budget implementation to several actors (e.g. third countries, MS, international organisations, decentralised agencies, etc.).

**Irregularity:** Any breach of applicable law, resulting from an act or omission by an economic operator, which has or would have, the effect of prejudicing the budget of the Union by charging unjustified expenditure to that budget.

**Key Performance Indicator 4 (KPI)**: This is the main error rate reported in the AAR as a regularity indicator. It is the 2014-2020 confirmed RTER aggregated and weighted for all

([46]) The CPR requires a confirmation about the eligibility of the expenditure declared to the Commission, i.e. including financial instrument advances. As those advances are less prone to error, the RTER calculated by excluding them is considered conservative.

programmes, removing the impact of financial instrument advances (for more details see Annex 7A).

**Management and control systems**: Set of bodies, procedures, relationships, processes. According to legal provisions - Article 72 of Common Provision Regulation (CPR) -, the MCS shall provide for a description of functions of the bodies involved in management and control, allocation of functions, separation of functions, procedures (for ensuring correctness and regularity of expenditure declared), computerised systems (for accounting, storage and transmission of data, monitoring and reporting), arrangement for auditing, systems and procedures for adequate audit trail, procedures for prevention, detection and correction of irregularities, including fraud.

**Managing authority**: A designated managing authority is responsible for the efficient management and implementation of an operational programme, in particular selection of operations and monitoring their implementation. A managing authority may be a national ministry, a regional authority, a local council, or another public or private body that has been nominated and approved by a Member State. Managing authorities are expected to conduct their work in line with the principles of sound financial management.

**Net financial correction**: A Commission decision that reduces the amount of the total allocation to an operational programme. In 2014-2020 programming period, a correction can be net because the Member State does not agree to deduct the irregular amount or because the Commission considers that there is a serious deficiency in the effective functioning of the management and control system (under strict regulatory conditions set out in Article 145(7) CPR). In 2021-2027 programming period, a correction can be net if the expenditure contained in accepted accounts is irregular and was not detected and reported by the Member State.

**Programmes**: The funds are implemented through programmes that contain the objectives to be achieved, the EU and Member State's means put at the disposal for this purpose and the applicable performance framework. Programmes are agreed between Member States and the EC and adopted by the EC.

**Recoveries** (recoveries are not regulated in 2021-2027 programming period): The Member State withdraws the irregular expenditure from the programme only when the beneficiary corrects the irregular amount vis-à-vis the Programme authorities. Till this is the case, the irregular expenditure remains in the EU budget. One of the ways to implement a financial correction.

**Reportable R(T)ER**: Residual (total) error rate of the latest accounting year N as reported by the audit authority and adjusted by the Commission following a desk review of the data provided in the annual control reports, just before the finalisation of the annual activity report (end April). In view of its confirmation in the following annual activity report, the reportable R(T)ER can be further adjusted as a result of on the spot-audits that are performed by the Commission and/or the European Court of Auditors. Such error rates are therefore 'reportable' in the annual activity report that is signed immediately after such rates are communicated to the Commission, pending the required complete audit work to confirm these rates in the subsequent annual activity.

**Reporting year:** the calendar year which the AAR relates to

**Risk "at closure"**: It indicates the remaining risk to the 2024 relevant expenditure once the Commission will have applied the necessary additional financial corrections to bring the (total) residual error rates down to 2% for all programmes, as this is found to be needed as a result of the Commission's assessment of the reported error rates for each programme. See also estimated future corrections.

**Risk "at payment"**: For shared management, the risk "at payment" is calculated by applying the residual (total error rate of the previous accounting year after neutralising the effect of financial instruments advances) confirmed by the Commission once the control cycle was completed (KPI5), to the "relevant expenditure" of the Commission reporting year.

**Shared management**: The EC implements the EU budget together with the Member States. Under shared management, the European Commission remains the ultimate responsible for the execution of the EU budget. However, Member States are responsible for selecting the projects through which the funds are implemented, and for their day-to-day management. Therefore, to ensure that the funds are used respecting the principles of sound financial management - Article 317 of the Treaty on the Functioning of the European Union (TFEU) -, the European Commission carries out audits and performs various other audit and control activities as well as capacity building activities.

**Statistical sampling**: A statistically based sampling technique selecting a random sample from the expenditure declared to the Commission and used in audit testing to provide representative results.

**Suspension**: The Commission may suspend all or part of an interim payment if conditions in Article 142(1) of Regulation (EC) 1303/2013, respectively Article 97(1) of Regulation (EC) 1060/2021 are fulfilled.

**Warning of interruption letter**: With this type of administrative letter Member States are 'warned' that the payment deadline of any future payment application will be interrupted.

**Warning letter of corrective measures**: If deficiencies are detected in a management and control system, and in case the risk to the EU budget is estimated below 10% / the submitted interim payments are not interrupted as the risk to the EU budget is covered by 10% retained. However, the letter requests programme authorities to implement the necessary corrective measures before submission of the next accounts.

**Withdrawals**: The Member State withdraws the irregular expenditure from the programme immediately when the irregularity is detected, by deducting it from the next interim payment claim and thereby releases EU funds for other operations. One of the ways to implement a financial correction.

# ANNEX 8: Reporting on the internal and external audits and assessing the effectiveness of Internal control systems

## ANNEX 8A: INTERNAL AUDIT SERVICE

At the end of February 2025, the following IAS recommendations considered as 'very important' were pending. The actions identified in the respective action plans are in the course of being implemented by REGIO.

| Audit title | Very important recommendations | Status / Deadline |
|---|---|---|
| **Audit on Preparedness for closing the 2014-2020 programming period of the ESIF** | **Planning of the closure exercise (Recommendation 1)**: Clear definition of objectives, roles and responsibilities concerning the coordination of the preparation of the closure process & sufficient allocation of resources and prioritising the work on developing and putting in place internal processes and procedures for the closure exercise, adapting the IT tools and training staff. | Ready for IAS review |
| | **Financial settlement at closure (Recommendation 5)**: Clear definition of closure in terms of the assurance to be provided on the legality and regularity, adoption of the definition by senior management, clear communication of the definition and establishment of adequate procedures. | Ready for IAS review |
| **Audit on the Joint Audit Directorate for Cohesion (DAC)** | **Organisational arrangements (Recommendation 2)**: alignment of internal procedures, HR procedures relating to DAC staff and resources allocated to support administrative processes, mission credits, and assessment of the synergies and efficiency gains of the organisational model of the DAC. | Pending 30/06/2026 |
| | **IT Tools, monitoring and reporting (Recommendation 4)**: integration of IT tools and completeness of roadmap for IT tools integration, technical development of MAPAR Compass Corporate, awareness raising of used IT tools, improving existing reporting functionalities. | Pending 31/12/2025 |
| **Audit on the Review of the Commission's risk at payment** | **Analysis and (internal) reporting of the root causes of errors in relation with ECA's findings (Recommendation 8)**: strengthening of existing documented analysis to identify the causes for all ECA findings. | Ready for IAS review |
| **Audit on the European Union Solidarity Fund (EUSF)** | **Design of the management and control system of the EUSF (Recommendation 1)**: flexible solution to allocate staff; update of procedures and guidance; reassess legal framework and guidelines; data protection. | Pending 31/12/2026 |
| | **Management process of the EUSF (Recommendation 2)**: update of the assessment form/checklist, timeliness, explanation of reasons for rejection; JRC assessment of applications; decrease delays in submission of implementation reports; update of the monitoring tables; timely submission of reports. | Pending 31/12/2025 |
| **Audit on the assurance building processes and audit strategy for the 2021-2027 programming period in DGs REGIO, EMPL and MARE – Phase I: Design** | **The Single Audit Strategy (SAS) (Recommendation 1)**: update SAS and the sampling checklist, include overview of work undertaken by audit authorities, explain how assurance on reliability is obtained and how it is provided, clarify assurance for Enhanced Proportionate Arrangements. | Pending 31/12/2025 |

In its contribution to the 2024 Annual Activity Report process, the Internal Audit Service concluded that the internal control systems in place for the audited processes are effective, except for the observations giving rise to the 'very important' recommendations, which will be addressed in line with the agreed action plans.

Regarding the audit on preparedness for closing the 2014-2020 programming period of the ESIF, the IAS acknowledged the ongoing efforts of REGIO, EMPL and MARE to define and prepare the 2014-2020 closure exercise. Nevertheless, the IAS noted very important weaknesses regarding: (1) the internal planning of the closure exercise and (2) the financial settlement at closure. For those, the DGs had been asked (1) to prepare a roadmap and monitor the development of the related IT tools and (2) to define what closure involves in terms of legality and regularity and the different steps and responsibilities to complete the related procedure, and to clarify the concept of 'risk at closure' in REGIO's 2023 AAR. All actions have now been fully implemented by REGIO. Moreover, in 2024 the IAS has positively assessed the implementation by REGIO of recommendation number 4 (reported in REGIO's 2023 AAR) regarding the planning of the closure exercise and, as a result, that recommendation has been closed.

Regarding its audit on the creation of the Joint Audit Directorate for Cohesion (DAC), the IAS concluded that the DAC has adequate management and control systems to implement its mandate effectively, but that there remain very important issues regarding its organisational structure, its IT tools and monitoring and reporting activities, that could impact its operational efficiency. As part of the action plan, REGIO and EMPL have already aligned internal procedures impacting DAC and have continued to put priority on the mission budgets related to the implementation of the funds, including audits. Moreover, DAC concluded a comprehensive roadmap for the integration of IT tools and the DGs have been developing efficient and comprehensive IT tools.

Regarding the audit on the review of the Commission's risk at payment (led by BUDG), REGIO/DAC strengthened the existing analysis to identify the causes for all ECA findings. REGIO has therefore finalised the implementation of the very important recommendation regarding the documentation of the analysis and (internal) reporting of the root causes of errors and differences in relation to the ECA findings.

Regarding the audit on the European Union Solidarity Fund (EUSF), the IAS concluded that REGIO has, overall, put in place internal control processes for managing the EUSF, but there remain two very important weaknesses concerning its design and effective management. As a response to these weaknesses, REGIO is implementing the respective action plan for this audit, including by tackling the design of the management and control system of the EUSF (e.g., flexible solution to allocate staff and update of procedures and guidance) and the management process of the EUSF (e.g. update of the assessment form/checklist and the monitoring tables).

Regarding the audit on the assurance building processes and audit strategy for the 2021-2027 programming period in DGs REGIO, EMPL and MARE – Phase I: Design, the IAS concluded that the DGs have overall designed adequate assurance building processes for the funds implemented under shared management to mitigate the key risks and address the main new elements introduced by the 2021-2027 programming period legislation, but one very important weakness concerning the single audit strategy has been identified which may affect the assurance obtained. The action plan was satisfactory assessed by the IAS and REGIO will start its implementation.

REGIO continuous and systematic implementation of the IAS recommendations and the subsequent follow-up by the IAS ensure that the internal control objectives remain robust and the assurance unaffected. Therefore, in view of the ongoing implementation of actions to address the IAS recommendations, the residual risk related to very important recommendations by IAS **does not affect in a material way the achievement of the internal control objectives, and therefore the assurance provided in this AAR.**

# ANNEX 8B: EUROPEAN COURT OF AUDITORS

## European Court of Auditors: Audit observations and recommendations

The Statement of assurance for 2024 (to be reported in the 2024 Annual Report of ECA) is on-going. Adversarial procedures are planned in June/July 2025, after the signature of this AAR; therefore, no information can be disclosed at this stage on the conclusions for the reporting year (2024). However, the ECA preliminary findings that the Commission has already received in this context were considered for the reporting under part 2 of the AAR.

***ECA 2023 Annual Report***

Chapter 6 of ECA's 2023 Annual Report is dedicated to "Cohesion, resilience and values". In this chapter, ECA calculated an error rate of 10.1% for cohesion policy Funds in 2023 ([47]). The main sources of errors in the ECA annual report for 2022 relate to ineligible projects and costs and infringements of public procurement and State aid rules.

ECA considered that expenditure included in the audited 2021-2022 accounts was affected by specific circumstances, as for the year before (flexibilities introduced for the COVID-19 related expenditure, additional funding made available, approaching the end of the eligibility period of the 2014-2020 period, with absorption pressure and overlap with the preparation of the new MFF programmes, as well as 100% co-financing for some expenditure). ECA therefore considered that the effectiveness of the checks and verifications of managing, and audit authorities may have been reduced and considered that risks linked to this specific period have materialised in some cases, explaining the rise in their estimated level of error for 2023 and 2022 compared to previous years.

The Commission noted the increase in the ECA calculated error rate that contrasted with its audit results. Based on its own audit work as well as the one performed by the programme audit authorities, the Commission had reported a stable risk at payment in its 2023 AARs (1.9% with a maximum rate of 2.8%), comparable with those of previous years, and overall a good functioning of management and control systems during the period audited by the ECA, except for a limited number of programmes.

The Commission also reported its disagreement on half of the  48 cases quantified by the ECA for Cohesion, either because there was a different appreciation of facts or of

([47]) 9.3% for the MFF heading 2 covered in chapter 6 of the ECA 2023 annual report interpretation of EU or national rules and the Commission considered that there was no legal basis to carry out financial corrections as no irregularity under the CPR definition was identified, or the Commission disagreed on ECA's quantification of the error, meaning that it agreed with ECA  on the irregularity but assessed it was sufficiently addressed by the financial corrections already imposed before the ECA audit. More details and examples of disagreements were provided in the Commission's replies to chapter 6 of the ECA report.

As regards the audit authorities' work, in 2023, the ECA assessed the work of 19 out of the total number of 116 audit authorities for cohesion policy, in 13 Member states and the UK. Taking account of the additional errors detected by the Commission and its own audit findings, the ECA assessed that the residual error rate was above 2 % in 16 of the 29 audited assurance packages (corresponding to 61% of the expenditure sampled), of which 11 cases were already adjusted by the Commission in its AARs. The ECA concluded that, taking into account both Commission's adjustments and their own findings, controls currently in place do not sufficiently offset the high inherent risk of error in cohesion policy, in particular regarding management verifications. It also mentioned persistent shortcomings in the scope, quality and documentation of audit authorities' work. Finally, the ECA mentioned the overall conclusions of its review of 2014-2020 cohesion policy spending, namely that management and control issues remain and explain an overall error level above materiality over the period.

The Commission noted that its assessment of the effectiveness and reliability of the work of each audit authority is based on various different aspects, the error rate being only one of them as the non-detection of some errors do not necessarily indicate a systemic weakness of the audit authority. Taking into account all the audit evidence that the Commission has collected as well as the ECA results, the Commission assesses the effectiveness of audit authorities' work to be similar to the one reported in previous years and has reasonable assurance on the work of most of them, except for a limited number of them as reported in its AARs. In addition to recommendations to improve targeted weaknesses identified, the Commission has established a robust continued cooperation with the audit community. This includes the sharing of common audit tools and good practices in line with the 'Charter on good practices promoted by the Audit Community when auditing ESI Funds', and the launch of an action plan endorsed at the meeting of the Audit Community Forum of 12 December 2024 which purpose is to follow up on previous ECA and Commission recommendations and address the identified weaknesses in the audit work and types of errors not detected by the audit authorities

The Commission also considers, as ECA does, that management verifications, the first line of defence against errors, should be even more effective in preventing and detecting errors in the first instance. This is why it has continued to provide support to those authorities to improve their administrative capacities and ensure a consistent and robust assurance and control framework.

Finally, the ECA concluded that the Commission continues to detect irregularities through its compliance audits, but inherent limitations of its desk reviews remain. The Commission noted that its desk reviews carried out for every programme each year are an efficient and proportionate approach for programmes that are found to reliably report low error rates year after year. For riskier programmes, the desk review is complemented by fact-finding visits or re-performance work. As a follow-up to these ECA conclusions and in particular of its review of 2014-2020 cohesion policy spending, the Commission has adjusted its audit approach for the current programming period, aiming at an increased coverage of programmes and audit authorities each year as from 2024.

The ECA issued four recommendations in chapter 6 of its 2023 Annual Report, out of which three relate to cohesion policy (and therefore ERDF/Cohesion Fund). REGIO accepted all three recommendations, as follows, and will ensure the necessary follow-up.

***1 - Follow-up weaknesses in member states' management and control systems*.**
(a) Follow-up in a timely manner all weaknesses in the member states' management and control systems identified and reported by ECA in the context of the statement of assurance exercise for 2014-2020 period and (b) Identify, together with the audit authorities, the key lessons learnt and apply them to the arrangements for the 2021 2027 period, and communicate the actions needed and supporting best practices to the member states' programme authorities.

The Commission has already implemented several actions. In the framework of the regular technical work meetings the Commission has with audit authorities (in particular in the 2024 Homologues Group meeting), the Commission organised targeted sessions to the follow-up of the identified weaknesses in the work of audit authorities and non-detected errors. The outcome of the exercise had materialised in an Action Plan presented and endorsed during the meeting of the Audit Community Forum of 12 December 2024. The implementation of these actions – aiming at addressing the weaknesses reported by ECA and Commission audits, will be an ongoing process, with continuous monitoring by the Commission. Moreover, the Commission adapted its approach to compliance audits in 2021-2027 to faster cover as many programmes and audit authorities as possible, and which implies a systematic preventive review of the audit checklists used by audit authorities to identify and remedy possible gaps. The Commission will continue to encourage the sharing of best practices within the audit community, and it will report on the implementation of the action plan in the AARs.

***2 - Address financial risks while checking that performance targets are achieved.***
Ensure that member states establish a process to systematically check the fulfilment of contractual obligations after payment, by which the beneficiary has committed to achieve performance indicators linked to actions taking place following project implementation.

The Member States have the obligation to systematically check that beneficiaries apply grant obligations effectively. They will report to the Commission on the effective fulfilment of the performance framework based on aggregated data from individual operations at programme level in each final implementation report at closure. The Commission systematically assesses these final implementation reports taking account of any available audit results and checks whether programme authorities have verified that operations contributed to the programme indicators, as planned. The audit authorities are also required to confirm at closure, based on their audits, that the data on performance indicators, are reliable.

***3 - Ensure sound preparation ahead of 2014-2020 closure.*** Elaborate detailed closure procedures addressing the risks identified in the ECA annual reports, by: (a) setting up a closure monitoring system to trace the status of all 2014-2020 OPs, the amounts closed during the year and cumulatively, the amounts still open, and the actions still pending for closure; and (b) disclosing this information in the AARs. This information on 2014-2020 closure should also contain the decommitment of outstanding funds in the Commission's accounts.

While the target date for this recommendation is June 2025 with the new deadline to submit the closure documents following the STEP amendment to the CPR, the Commission may receive the closure documents for many programmes only in February 2026, meaning also that potential de-commitments at closure for the programmes concerned will be done as from 2026. Currently (in the 2024 and 2025 audit plan) the Commission is carrying out 36 preventive thematic audits on the preparedness for closure.

To be mentioned that one of the recommendations issued by ECA (harmonised treatment of public procurement errors under direct and shared management), was not accepted by the Commission.

**Follow-up of recommendations issued by ECA in previous years**

REGIO systematically follows up the recommendations issued by the ECA in its Annual Reports and accepted by the Commission. In its 2023 Annual Report, the ECA assessed that the recommendations issued in years 2018-2022 (with an expired expected implementation date) have been implemented, either fully or in most/some respects.

The following table gives an overview of the status of implementation of the recommendations on cohesion policy for which REGIO/EMPL are responsible. The open recommendations from 2022/23 did not reach the deadline for completion yet.

| Annual Report | Number of recommendations issued and accepted by the Commission | DONE/CLOSED | OPEN |
|---|---|---|---|
| 2018 | *5* | *5* | *0* |
| 2019 | *3* | *3* | *0* |
| 2020 | *3* | *3* | *0* |
| 2021 | *4* | *4* | *0* |
| 2022 | 8 | 4 | 4 |
| 2023 | 6 | 0 | 6 |

**Summary of ECA's performance audits and reports finalised in 2024/early 2025 involving cohesion policy and its funding with key importance for REGIO**

In 2024/early 2025, the ECA published the following Special Reports with key importance for REGIO in a lead or associated role:

## Special report 03/2024: The rule of law in the EU - An improved framework to protect the EU's financial interests, but risks remain

The ECA audit assessed whether the Commission's application of the Conditionality Regulation was appropriate and consistent with other mechanisms available under the RRF and the 2021-2027 CPR for cohesion policy. The ECA examined the Commission's internal arrangements for implementing the Regulation, and the actions it took to protect the EU's financial interests under the three instruments. Specifically for cohesion, the ECA looked into the application of the horizontal enabling condition requiring member states to put in place effective mechanisms to ensure compliance with the Charter of Fundamental Rights of the EU.

The ECA concluded that the Conditionality Regulation, together with the relevant provisions of the RRF Regulation and the CPR, provides the Commission with a useful additional set of tools to protect the EU's financial interests and to ensure the sound financial management of EU funds. While acknowledging that the effectiveness of the budgetary and remedial measures taken so far can only be assessed at a later stage, the ECA identified a number of risks that in the ECA's opinion could undermine their effectiveness.

As concerns measures adopted under the CPR, the ECA recommended that the Commission should:

- *monitor the impact of the rule-of-law related measures,*
- *base any proposal* to lift budgetary measures on solid evidence.

The Commission accepted these recommendations (the first one - insofar as this is relevant, since the CPR does not establish specific provisions with regards to such monitoring). The deadline for their implementation is by end 2027.

*Date of publication: 22 February 2024*

## *Review 03/2024: An overview of the assurance framework and the key factors contributing to errors in 2014-2020 cohesion spending :*

In its review, the ECA performed a multi-annual overview covering six years of audit results including an assessment of management and control issues and thus provided an opportunity to reflect on how to further enhance the regularity of implementation in the 2021-2027 period. The ECA concluded that even though the assurance framework for cohesion policy contributed to the reduction in the overall error level since the 2007-2013 period and offered several regulatory tools to ensure the protection of the EU budget, it has not been sufficiently effective in bringing the overall error below the materiality threshold of 2% during the 2014-2020 period, with weaknesses identified at all level  of controls (managing authorities, audit authorities and Commission work).

Publication date: 08 July 2024

### *Special report 05/2025: Cohesion's Action for Refugees in Europe Increased flexibility but insufficient data hinders future assessment of effectiveness*

*The ECA audit aimed at assessing the use of CARE by member states and the available 2014-2020 cohesion policy funds to address the specific needs of displaced persons fleeing the Russian military aggression against Ukraine, focusing on the projects implemented and the Commission monitoring of the use of such funding. The main conclusions were that CARE measures were helpful in addressing the migratory challenges, projects were implemented quickly and met identified needs with appropriate support from the Commission, but the lack of information limits the assessment of their effectiveness.*

*The ECA recommended that the Commission should establish an appropriate system for monitoring the effectiveness of new crisis-related measures or amendments if any, which was partially accepted as the Commission cannot at this stage prejudge the content of its future legislative proposals.*

*Date of publication: 12 February 2025*

### Special report 22/2024: Double funding from the EU budget – Control systems lack essential elements to mitigate the increased risk resulting from the RRF model not linked to costs

The ECA concludes that the control mechanisms in place are not sufficient to properly mitigate the increased risk of double funding between the amounts of money available under the EU's post-pandemic recovery programme and the ones available from the traditional EU programmes, including from cohesion policy funds

The ECA recommends the Commission to clarify and strengthen the control requirements for double funding under programmes and instruments using financing not linked to costs. Regarding cohesion Policy funds, guidance on the avoidance of double financing and the set-up of respective control systems has been made available, and the Commission considers it obtains reasonable assurance by assessing ex-ante the arrangements in place at programme level to avoid double funding.

The Commission accepted the ECA recommendation to set up and use integrated and interoperable IT systems and data mining tools for all funding programmes and instruments to further improve the detection capacity of programme authorities.

Publication date: 21 October 2024

*In addition, REGIO was associated to a number of other audits relevant for its policies which were finalised in 2024/early 2025, on recovery of EU funds, climate adaptation, suburban passenger transport, review on smart grids and urban pollution, without however being assigned specific recommendations.*

All the accepted recommendations from these special reports are given due follow-up and are in the course of being implemented.

## Recommendations of the ECA performance audits published in previous years, involving REGIO, which remain open.

There are currently 11 open recommendations issued by the European Court of Auditors, for which REGIO is in the lead and which are expected to be implemented by the end of 2025.

| Year | Original document title | Recommendation | Timeframe |
|---|---|---|---|
| 2020 | SPECIAL REPORT No 07 2020 Implementing cohesion policy comparatively low costs, but insufficient information to assess simplification savings | Ensure that data collected are verified as part of the studies to ensure they're of sufficient quality | 30/06/2025 |
| 2021 | SPECIAL REPORT No 12 2021 The Polluter Pays Principle: Inconsistent application across EU environmental policies and actions | Make the use of EU funds for cleaning pollution conditional on checks | 31/12/2025 |
| 2021 | SPECIAL REPORT No 24 2021 Performance-based financing in cohesion policy: worthy ambitions, but obstacles remained in the 2014-2020 period | Take any relevant findings of the 2024 evaluation of the Member States' use of the RRF into account for its 2025 mid-term reviews | 31/12/2025 |
| 2021 | SPECIAL REPORT No 24 2021 Performance-based financing in cohesion policy: worthy ambitions, but obstacles remained in the 2014-2020 period | Inform timely Member States about the approach to be applied for the mid-term review | 31/12/2025 |
| 2022 | SPECIAL REPORT No 02 2022 Energy efficiency in enterprises Some energy savings but weaknesses in planning and project selection | Assess the specific impact of energy efficiency projects for enterprises when evaluating the 2014-2020 programme period | 30/04/2025 |
| 2022 | SPECIAL REPORT No 10 2022 LEADER and community-led local development facilitates local engagement, but additional benefits still not sufficiently demonstrated | The assessment of the Community-led Local Development approach to cover the elements of points (a) to (e) of recommendation 1. | 31/12/2025 |
| 2022 | SPECIAL REPORT No 22 2022 - EU support to coal regions - Limited focus on socio-economic and energy transition | Check that Member States have ensured that programmed resources do not exceed the financial needs identified in line with the pace of the transition; | 31/12/2025 |
| 2022 | SPECIAL REPORT No 22 2022 - EU support to coal regions - Limited focus on socio-economic and energy transition | Check that Member States have ensured complementarity and coordination between the various EU and national sources of funding. | 31/12/2025 |
| 2023 | SPECIAL REPORT No 02 2023 - Adapting cohesion policy rules to respond to COVID-19 - Funds used more flexibly, but reflection needed on cohesion policy as a crisis response tool | Analyse the appropriateness of cohesion policy as a budgetary crisis response tool | 30/06/2025 |
| 2024 | SPECIAL REPORT No 04 2024 - Reaching EU road safety objectives - Time to move up a gear | Advise programmes' monitoring committees to specify relevant selection criteria that include road safety objectives for road projects under shared management | 31/12/2025 |

| | | | |
|---|---|---|---|
| 2024 | SPECIAL REPORT No 04 2024 - Reaching EU road safety objectives - Time to move up a gear | Promote the recommended prioritisation concept to managing authorities for programmes and projects with road safety objectives under shared management | 31/12/2025 |

## ***Follow-up to previous ECA Special Reports***

*In 2024, the ECA conducted a follow-up of eight Special Reports published in 2021 and involving directly or indirectly REGIO:*

- SR 06/2021 Financial instruments in cohesion policy at closure of the 2007-2013 period: verification work yielded good results overall, but some errors remained
- SR 10/2021 Gender mainstreaming in the EU budget: time to turn words into action
- SR 12/2021 The Polluter Pays Principle: Inconsistent application across EU
- SR 14/2021 Interreg cooperation: the potential of the European Union’s cross-border regions has not yet been fully unlocked
- SR 22/2021 Sustainable finance: More consistent EU action needed to redirect finance towards sustainable investment
- 24/2021 Performance-based financing in cohesion policy: worthy ambitions, but obstacles remained in the 2014-2020 period
- SR 26/2021 Regularity of spending in EU cohesion policy: Commission discloses annually a minimum estimated level of error that is not final
- SR 27/2021 EU Support to tourism: Need for a fresh strategic orientation and a better funding approach.

The Commission services considers that recommendations issued in those special reports and accepted have been implemented, except for those which have an expected implementation date not yet reached. The Court's assessment on the implementation of these recommendations will be reported in its next Annual Report.

## On-going ECA reports

The following special reports or review-based documents were in the pipeline at the end of 2024 for REGIO in a lead or associated role:

- Municipal waste management
- EU's Industrial policy on microchips
- Urban pollution
- RRF member states control systems
- *Transparency of EU funding to NGOs*
- Financial corrections in cohesion policy funds
- Financial instruments in cohesion policy
- Smart grids (review)
- Forest fires
- Smart specialisation strategies
- Suburban Passenger Transport
- Europe's Beating Cancer Plan
- Future of cohesion policy (review)

# ANNEX 9: Specific annexes for "Control results" and “Assurance: Reservations”

## 1. Annex related to "Control results" - Table X: Estimated risk at payment and at closure

### Table X : Estimated risk at payment and at closure

| DG REGIO | Payments made (2024;MEUR) | minus new prefinancing [plus retentions made] (in 2024;MEUR) | plus cleared prefinancing [minus retentions released and deductions of expenditure made by MS] (in 2024;MEUR) | Relevant expenditure (for 2024;MEUR) | Detected error rate or equivalent estimates | Estimated risk at payment (2024;MEUR) | Adjusted Average Recoveries and Corrections (*adjusted* ARC; %) | Estimated future corrections [and deductions] (for 2024;MEUR) | Estimated risk at Closure (2024;MEUR) |
|---|---|---|---|---|---|---|---|---|---|
| -1 | -2 | -3 | -4 | -5 | -6 | -7 | -8 | -9 | -10 |
| 2021-2027 Mainstream (Shared Management) | 14 200.86 | -8 299.47 | - 372.12 | 5 529.27 | 2.00% - 2.76% | 110.59 - 152.63 | 0.39% - 1.15% | 21.60 - 63.64 | 88.98 - 88.98 |
| European Urban Initiative (Indirect Management) | 51.48 | - 51.48 | 1.70 | 1.70 | 0.00% - 0.50% | 0.00 - 0.01 | 0.00% - 0.50% | 0.00 - 0.01 | 0.00 - 0.00 |
| 2014-2020 (Shared Management) | 24 418.71 | 2 669.92 | 3 200.86 | 30 289.49 | 2.49% - 3.58% | 753.38 - 1 082.92 | 0.49% - 1.58% | 147.59 - 477.13 | 605.79 - 605.79 |
| Urban Innovative Actions (Indirect Management) | 0.00 | 0.00 | 75.75 | 75.75 | 0.00% - 0.50% | 0.00 - 0.38 | 0.00% - 0.50% | 0.00 - 0.38 | 0.00 - 0.00 |
| 2007-2013 (Shared Management) | 5.84 | 0.00 | 85.17 | 91.01 | 0.45% - 0.45% | 0.41 - 0.41 | 0.16% - 0.16% | 0.14 - 0.14 | 0.27 - 0.27 |
| 2007-2013 (Indirect Management) | 57.29 | 0.00 | 0.00 | 57.29 | 0.50% - 0.50% | 0.29 - 0.29 | 0.12% - 0.12% | 0.07 - 0.07 | 0.22 - 0.22 |
| Pre-2006 (Shared Management) | 87.41 | 0.00 | 0.29 | 87.70 | 0.50% - 0.50% | 0.44 - 0.44 | 0.00% - 0.00% | 0.00 - 0.00 | 0.44 - 0.44 |
| EUSF (Shared Management) | 833.83 | - 833.83 | 1 163.96 | 1 163.96 | 0.00% - 0.00% | 0.00 - 0.00 | 0.00% - 0.00% | 0.00 - 0.00 | 0.00 - 0.00 |
| EUSF (Indirect Management) | 400.00 | - 400.00 | 0.00 | 0.00 | 0.00% - 0.00% | 0.00 - 0.00 | 0.00% - 0.00% | 0.00 - 0.00 | 0.00 - 0.00 |
| Brexit Adjustment Reserve (Shared Management) | 7.11 | - 7.11 | 0.00 | 0.00 | 0.50% - 0.50% | 0.00 - 0.00 | 0.00% - 0.00% | 0.00 - 0.00 | 0.00 - 0.00 |
| Pilot projects and preparatory actions (Direct Management) | 3.15 | - 2.10 | 0.62 | 1.66 | 0.03% - 0.03% | 0.00 - 0.00 | 0.00% - 0.00% | 0.00 - 0.00 | 0.00 - 0.00 |
| Administrative support and technical assitance (Indirect Management) | 66.93 | - 58.89 | 11.38 | 19.42 | 0.50% - 0.50% | 0.10 - 0.10 | 0.00% - 0.00% | 0.00 - 0.00 | 0.10 - 0.10 |
| Administrative support and technical assitance (Direct Management) | 77.55 | - 8.83 | 40.15 | 108.87 | 0.03% - 0.03% | 0.03 - 0.03 | 0.00% - 0.00% | 0.00 - 0.00 | 0.03 - 0.03 |
| 2021-2027 Cross border programmes (Shared Management) | 543.03 | - 365.59 | - 0.09 | 177.34 | 0.50% - 0.50% | 0.89 - 0.89 | 0.00% - 0.00% | 0.00 - 0.00 | 0.89 - 0.89 |
| **DG total** | **40 753.19** | **-7 357.39** | **4 207.67** | **37 603.46** | | **866.12 - 1 238.09** | **0.45% - 1.44%** | **169.41 - 541.37** | **696.71 - 696.71** |
| | | | | | **Overall risk at payment in %** | **2.30% - 3.29%** *(7) / (5)* | | **Overall risk at closure in %** | **1.85% - 1.85%** *(10) / (5)* |

**Notes to table X**

(1) Relevant Control Systems differentiated per relevant portfolio segments and at a level which is lower than the total.
(2) Payments made or equivalent, e.g. expenditure registered in the Commission's accounting system, accepted expenditure or cleared pre-financing. In any case, this means after the preventive (ex-ante) control measures have already been implemented earlier in the cycle.
In all cases of Co-Delegations (Internal Rules Article 3), "payments made" are reported by the Delegated departments. For Cross-Sub Delegations (Internal Rules Article 12), the reporting remains with the Delegating departments.
(3) New pre-financing actually paid out by the department itself during the financial year (i.e. excluding any pre-financing received as a transfer from another department). as per note 2.5.1 to the Commission annual accounts thus excluding "Other advances to Member States" which are covered on a purely payment-made basis (note 2.5.2). Pre-financing paid/cleared" are always covered by the Delegated departments, even for Cross-Sub Delegations.
Retentions: in Cohesion, for 2014-2020, 10% and for 2021-2027, 5% retention applied during the year.
(4) Pre-financing actually cleared during the financial year (i.e. their 'delta' in the Financial Year 'actuals', not their 'cut-off' based estimated 'consumption').
Retentions: in Cohesion, the retentions released during the year by the Commission.
(5) For the purpose of equivalence with the ECA's scope of the EC funds with potential exposure to legality & regularity errors (see the ECA's Annual Report methodological annex 1.1), our concept of "relevant expenditure" includes the payments made, subtracts the new pre-financing paid out & adds the retentions made, and adds the pre-financing actually cleared & subtracts the retentions released; and any deductions of *expenditure made by MS* during the FY. This is a separate and 'hybrid' concept, intentionally combining elements from the budgetary accounting and from the general ledger accounting.
(6) In this column, we disclose the detected error rates or equivalent estimates. Equivalents might be e.g. the "residual total error rates", REGIO, EMPL, MARE. For low-risk types of expenditure, where there are indications that the equivalent error rate might be close to 'zero' (e.g. administrative expenditure, operating contributions to agencies), the rate which should be used is 0.5% as a conservative estimate, unless the department has a more precise estimate based on evidence.
(8) The estimated future corrections use the most conservative calculation of the corrections to be implemented by the programme authorities to bring the risk at closure to 2% for all programmes individually.
(9) All corrections that remain possible are considered for this estimate.

## 2. Reservations

### A. Reservation fiches

**2014 -2020**

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|---|---|
| **DG** | REGIO |
| **Title of the reservation, including its scope** | **21 programmes** concerning ERDF/CF management and control systems in 2014 – 2020 in nine Member States and the UK, including five Interreg programmes. |
| **Domain** | Shared management – Structural and Cohesion Funds |
| **Programme (or other relevant segment) in which the reservation is made and total (annual) amount of this programme** | 05.029901 ERDF<br>05.039901 Cohesion Fund<br>Scope Amount (Annual payment of segment): EUR 24 418 705 509.86 |
| **Reason for the reservation** | - systems deficiencies leading potentially to risk above the 10% retention (for totality or part of the management and control system)<br>- total error rates above 10%<br>- residual total error rate above 2% |
| **Materiality criterion/criteria** | Significant deficiencies at the level of the key elements of the management and control systems with a material risk to the EU Budget,<br>Residual error rate >2%,<br>material issues on the completeness,<br>accuracy and veracity of the accounts |
| **Quantification of the financial impact (amount at risk)** | (A) Quantified Relevant Expenditure of the programmes under reservation (in Million Euros): **3.737,21 MEUR**<br>(B) Amount at Risk of quantified reservations (in Million Euros): **41,32 MEUR**<br>Rate (A/B): 1.11% |
| **Impact on the assurance** | The weakness affects the legality and regularity of the expenditure concerned and the effective functioning of the management and control systems in place. Financial impact is mitigated through:<br>- interruption/suspension of payments pending the remedial corrective measures taken by the Member States concerned to address the identified weakness(es);<br>- financial corrections to be applied before accepting the next expenditure statemen |

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| **Responsibility for the weakness** | The expenditure concerned is under shared management with the Member States primarily responsible for implementing the management and control systems.<br>The weakness identified at the level of programme authorities affects the legality and regularity of the expenditure concerned and the effective functioning of the management and control systems in place.<br>The Commission supervises the national programme authorities in this respect. |
| **Responsibility for the corrective action** | **At Commission level**<br>- warning letters / interruption of payment deadlines / launch of suspension and financial correction procedures,<br>- audit work both desk, on the spot and/or remote to check the ability of programme managing and / or audit authorities to fulfil their obligations<br>**At Member State level –**<br>implementation of requested remedial actions including when necessary financial corrections to remedy the deficiency/ies,<br>- audit by the audit authority (or the Commission in case of reliability issue) of the effective implementation of remedial measures applied by managing authorities in management and control systems and of the basis for the application of financial corrections when required. |

**2021 - 2027**

| | |
|---|---|
| **DG** | REGIO |
| **Title of the reservation, including its scope** | Reservation concerning **seven ERDF/CF/JTF programmes** of the 2021- 2027 period in five Member States, including one Interreg programme |
| **Domain** | Shared management – Structural and Cohesion Funds |
| **Programme (or other relevant segment) in which the reservation is made and total (annual) amount of this programme** | ERDF 05.020100<br>CF 05.030100<br>JTF 09.030100<br>Scope Amount (Annual payment of segment): EUR 14 743 886 036.85 |
| **Reason for the reservation** | Systems deficiencies leading potentially to risk above the 5% retention<br>- residual total error rate above 2% |
| **Materiality criterion/criteria** | Significant deficiencies at the level of the key elements of the management and control systems with a material risk to the EU Budget,<br>Residual error rate >2%, material issues on the completeness,<br>Unresolved issues related to the predecessor programming period. |
| **Quantification of the financial impact (amount at risk)** | (A) Quantified Relevant Expenditure of the programmes under reservation (in Million Euros): **390,15 MEuro**<br>(B) Amount at Risk of quantified reservations (in Euros): **3,05 MEuro**<br>Rate (A/B): 0.78% |
| **Impact on the assurance** | The weaknesses affect the legality and regularity of the expenditure concerned and the effective functioning of the management and control systems in place. Financial impact is mitigated through:<br>- interruption/suspension of payments pending the remedial corrective measures by the Member States concerned to improve the identified weakness(es);<br>- financial corrections to be applied before accepting the next expenditure statement. |
| **Responsibility for the weakness** | The expenditure concerned is under shared management with the Member States primarily responsible for implementing the management and control systems. The weaknesses identified at the level of programme authorities affect the legality and regularity of the expenditure concerned and the effective functioning of the management and control systems in place. The Commission supervises the national programme authorities in this respect. |

| | |
|---|---|
| **Responsibility for the corrective action** | **At Commission level**<br>- warning letters of corrective measures / launch of financial correction procedures,<br>- audit work both desk, on the spot and/or remote to check the ability of programme managing and / or audit authorities to fulfil their obligations.<br>**At Member State level**<br>- implementation of remedial actions including when necessary financial corrections to remedy the deficiency/ies,<br>- audits by the audit authority (or by the Commission in case of unreliable audit work) to preventively assess if system deficiencies translated into material levels of error; on the effective implementation of remedial measures applied by managing authorities in management and control systems, and on the application of financial corrections when required. |

## B. Reservations not issued or lifted in 2024 due to the application of the “de minimis” threshold

Not applicable.

## C. Shared management: Operational Programmes under reservation and targeted actions

| No. | Country code | CCI | OP title | Reservation | Reasons for reservation | Financial impact (MEUR) in 2024 | Structural weakness (Y/N) | Actions to be taken (WISFC) |
|---|---|---|---|---|---|---|---|---|
| **1** | DE | 2014DE16RFOP004 | OP Brandenburg ERDF 2014-2020 | Partial | Deficiencies in the verification of public procurement expenditure by programme authorities with estimated significant impact. A partial financial reservation is in place.<br>A warning for possible interruption of payment deadlines is ongoing, limited to public procurement expenditure - maintained until the OP authorities take the necessary measures. | 2,49 | Y | Ongoing warning for possible interruption of payment deadlines |
| **2** | DE | 2014DE16RFOP008 | OP Mecklenburg-Vorpommern ERDF 2014-2020 | Full | A DAC audit identified issues on the audit authority's work (on the adequacy of the audits of operations and audit opinion) and a full reservation is in place.<br>The RTER is recalculated above 2% at 3.69% (the DAC audit is still in contradictory procedure during the time of the issuance of the AAR). Subsequent actions to be examined after the analysis of the MS reply to the draft audit report. | 1,23 | Y | None (pending the contradictory procedure) |
| **3** | DE | 2014DE16RFOP009 | OP Nordrhein-Westfalen ERDF 2014-2020 | Partial | A DAC audit revealed deficiencies in management verifications related to public procurement expenditure and therefore a partial reservation is issued for such type of expenditure. Subsequent actions to be examined after the analysis of the MS reply to the draft audit report. (The MS reply to the draft report may confirm measures are in place to improve the situation. This will be assessed in the course of the contradictory procedure review). | 0,11 | Y | None (pending the contradictory procedure) |

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|---|---|---|---|---|---|---|---|---|
| **4** | DE | 2014DE16RFOP012 | OP Sachsen ERDF 2014-2020 | Partial | Partial reservation to address significant deficiencies detected in management verifications regarding expenditure declared by a large beneficiary of research and development projects: ineligible overhead costs (Fraunhofer Gesellschaft).<br>As such, a partial financial reservation is in place, limited to R&D expenditure of Fraunhofer Gesellschaft.<br>Corrective measures to be implemented through the audit follow-up and the assessment of the outstanding closure assurance package. | 1,71 | Y | Follow up and financial correction, as required |
| **5** | DE | 2014DE16RFOP013 | OP Sachsen-Anhalt ERDF | Partial | Following an ECA audit on this OP that found significant deficiencies in management verifications regard expenditure declared for research projects (ineligible overhead costs) implemented by a large beneficiary of research and development projects (Fraunhofer Gesellschaft), a partial reservation is in place in relation to the concerned expenditure declared by Fraunhofer Gesellschaft. | 0,44 | Y | Follow up and financial correction, as required |
| **6** | EL | 2014GR16M1OP001 | Transport Infrastructure, Environment And Sustainable Development OP | Partial non-quantified. | A warning of interruption for the railway sector (EPPO investigation) is in place since June 2024.<br>The audit authority agreed to carry out a special audit in the spring of 2025 on a sample of European Train Control System (ETCS) contracts related sub-projects carried out by ERGOSE.<br>Moreover, since the warning letter was issued, the Greek authorities have not declared expenditure related to the railway sector infrastructure. | 0,00 | N | Maintain Ongoing Procedure(s) (warning of interruption) |

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|---|---|---|---|---|---|---|---|---|
| **7** | HU | 2014HU05M2OP001 | Human Resources Development Operational Programme | Full | Full reservation to address deficiencies in management verifications by the managing authority (KR4), demonstrated by the repeated high error rates reported.<br>There are two ongoing Commission audits which could have an impact on the calculation of the error rate. TER above 10% & RTER above 2%. | 4,82 | Y | Follow up and financial correction, as required |
| **8** | HU | 2014HU16M0OP001 | Economic Development and Innovation Operational Programme | Partial | The partial reservation is reflecting deficiencies in management verifications (KR4) and the need to demonstrate the effectiveness of reinforced anti-fraud measures (KR7) for parts of the programme (ERDF grants in priorities 1, 2, 3 and 4, with remaining irregularities identified by the audit authority concerning State aid, ineligible operations and ineligible expenditure. A warning of interruption is in place. | 0,10 | Y | Maintain Ongoing Procedure(s) (warning of interruption) |
| **9** | IE | 2014IE16RFOP001 | Border, Midland and Western Regional Operational Programme 2014-2020 | Full non-quantified | In the absence of ACR and updated TER / RTER and further info (STEP regulation), the risk remains as reported last year.<br>Last year's reservation is linked to an individual case of public procurement irregularity leading to a high risk and an extrapolated correction to bring down the RTER under 2%, which is still under implementation (common sample with the programme below). The reservation is ongoing from last year's exercise. | 0,00 | Y | None (financial correction under implementation) |
| **10** | IE | 2014IE16RFOP002 | Southern & Eastern Regional Operational Programme | Full | The IE authorities have not yet implemented the requested extrapolated correction (see above). As there were payments in 2024 for this programme, a full financial reservation for 2024 is raised. | 0,46 | Y | None (financial correction under implementation) |

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|---|---|---|---|---|---|---|---|---|
| **11** | IT | 2014IT16RFOP002 | National Operational Programme on Infrastructures and Networks | Full | A DAC audit in September 2024 revealed deficiencies on management verifications of public procurement (direct awards) and irregularities in the expenditure declared to the EC during the AY 2023-2024.<br>The contradictory procedure with the auditee is ongoing. | 26,55 | Y | None<br>(pending the contradictory procedure) |
| **12** | LT | 2014LT16MAOP001 | Operational Programme for EU Structural Funds Investments for 2014-2020 | Full | Deficiencies identified by the audit authority in the management verifications of public procurement expenditure by the main IB (CPMA) and in other IBs as well. The draft TER for the final assurance package is around 14%. A full reservation is raised. | 3,28 | Y | Follow up and financial correction, as required |
| **13** | NL | 2014NL16RFOP002 | OP West Netherlands ERDF 2014-2020 | Partial | Partial financial reservation related to public procurement expenditure due to the preliminary results of a DAC thematic audit that found a high frequency of irregularities not detected by management verifications. | 0,09 | Y | Follow up (and financial correction as required, pending the contradictory procedure) |
| **14** | PL | 2014PL16RFOP001 | OP Smart growth | Partial non-quantified | Partial non-quantified reservation due to serious deficiencies for management verifications under measures 1.1.1 and 1.3.1 (IB NCBiR), with no declared expenditure because of an ongoing warning of interruption and action plan under implementation addressing:<br>depreciation (for pilot lines), ineligible costs and conflicts of interest identified (ECA audit and two DAC audits).<br>Final error rate pending corrective actions validation. | 0,00 | Y | Maintain Ongoing Procedure(s) (warning of interruption) |

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|---|---|---|---|---|---|---|---|---|
| **15** | RO | 2014RO16RFOP002 | Regional Operational Programme | Partial non-quantified | The programme had a material error rate last year, not corrected yet at the time of the AAR - ongoing process at national level.<br>For ITI Danube Delta: three calls for projects affected by deficiencies - investments not maintained in the region - ongoing warning for interruption.<br>Ongoing warning of interruption for the allegation of fraud case. | 0,00 | Y | Maintain Ongoing Procedures (warnings of interruption, required financial correction) |
| **16** | TC | 2014TC16RFCB001 | Interreg V-A - Belgium-Germany-The Netherlands (Euregio Meuse-Rhin/Euregio Maas-Rijn/Euregio Maas-Rhein) | Full non-quantified | Full non-quantified reservation in place (no expenditure paid in 2024) to address deficiencies at CA level (continuous uncertainty of staffing of the CA function which is appointed year by year, latest appointment from January to April 2025). | 0,00 | Y | Maintain Ongoing Procedure(s) |
| **17** | TC | 2014TC16RFCB031 | Interreg V-A - Lithuania-Poland | Partial | Partial reservation to address a re-calculated TER and resulting RTER >2% for the accounting year 2022-2023 because of an error detected by the PL auditors but incorrectly not extrapolated by the LT programme audit authority. The warning for preventive and corrective measures remains ongoing. | 0,04 | Y | Maintain Ongoing Procedure(s) (warning for corrective measures) |
| **18** | TC | 2014TC16RFCB051 | Interreg V-A - France (Mayotte-Comores-Madagascar) | Full non-quantified | Full non-quantified reservation to address deficiencies in management verifications by the managing authority (KR4, no expenditure paid in 2024). A warning letter for interruption was sent in 2021. The corrective measures have not been implemented. | 0,00 | Y | Maintain Ongoing Procedure(s) (warning for interruption) |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| **19** | TC | 2014TC16RFCB054 | Interreg V-A - Slovenia-Austria | Partial | A partial reservation and letter of corrective measures are still ongoing on the Austrian part of the OP for undetected cartel issues. The reply to the updated corrective measures letter is still pending. | 0,01 | Y | Maintain Ongoing Procedure(s) (warning for corrective measures) |
| **20** | TC | 2014TC16RFTN008 | Caribbean Area | Full non-quantified | Ongoing procedures not solved (suspension). Programme under reservation since last year. | 0,00 | N | Maintain Ongoing Procedure(s) (suspension) |
| **21** | UK | 2014UK16RFOP002 | United Kingdom - ERDF Gibraltar | Full non-quantified | A significant project with expenditure amounting to above EUR 1,1 million (about 10% of the OP allocation) is considered ineligible. Given that all programme expenditure has already been certified and paid, this irregular amount needs to be recovered. Reservation is maintained until recovery at programme closure. | 0,00 | Y | Maintain Ongoing Procedure(s) |
| **2021 – 2027 period** | | | | | | | | |
| **1** | DE | 2021DE16RFPR007 | Programme ERDF 2021-2027 Mecklenburg-Vorpommern | Full non-quantified | Full non-quantified reservation based on a compliance audit carried out on the 2014-2020 programming period that identified weaknesses in the audit authority's work (on the adequacy of the audits of operations and audit opinion), with impact on the successor programme as well (the DAC audit is still in contradictory procedure during the time of the issuance of the AAR). Subsequent actions to be examined after the analysis of the MS reply to the draft audit. | 0,00 | Y | None (pending the contradictory procedure) |
| **2** | EL | 2021EL16FFPR004 | Transport | Partial non-quantified. | Partial non-quantified reservation and ongoing warning of interruption since 11.06.2024 (limited to the railway sector) due to EPPO investigation. The issue concerns both programming periods. | 0,00 | N | Maintain Ongoing Procedure(s) (warning of interruption) |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| **3** | HU | 2021HU16FFPR001 | Economic Development and Innovation Operational Programme Plus | Partial | The partial reservation is reflecting deficiencies in management verifications (KR4) and the need to demonstrate the effectiveness of reinforced anti-fraud measures (KR7) for parts of the programme (ERDF grants in priorities 1, 2, 3, 4), with remaining irregularities identified by the audit authority concerning State aid, ineligible operations and ineligible expenditure, affecting the predecessor and current programmes. A warning of interruption is in place.<br>Moreover on-going DAC compliance audit to verify the reported TER of 4,97%. | 0,00 | Y | Maintain Ongoing Procedure(s) (warning of interruption) |
| **4** | HU | 2021HU16FFPR003 | Integrated Transport Development Operational Programme Plus | Full | Full reservation in place as a result of audit work that identified irregularities in 4 payment claims, all of which pertain to the same project. | 0,00 | Y | Follow up and financial correction as required, pending the contradictory procedure |
| **5** | PL | 2021PL16RFPR001 | EU Funds for Smart Economy 2021–2027 | Partial | Partial reservation issued for measure 1.1 for two IBs and covering issues of inefficient management verifications, selection of operations and insufficient anti-fraud measures. | 3,05 | Y | warning of interruption for the managing authority and 2 intermediate bodies |
| **6** | RO | 2021RO16JTPR001 | Just Transition | Full non-quantified | Reservation due to the deficiencies detected by both the AA and DAC in their preventive system audits (no expenditure paid in 2024):<br>lack of capacity at the level of the MA (staff turnover, lack of expertise, unclear procedures); inadequate supervision by the MA over the IBs; inadequate fraud risk assessment; suspicion of conflict of interest/incompatibility of functions for the director supervising the MA. | 0,00 | Y | issue a warning of interruption |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| **7** | TC | 2021TC16RFCB001 | (Interreg VI-A) The Netherlands-Belgium-Germany (Euregio Maas-Rijn/ Euregio Meuse-Rhin/Euregio Maas-Rhein) | Full non-quantified | Full non-quantified reservation (no expenditure paid in 2024) to address deficiencies at CA level (continuous uncertainty of staffing of the CA function which is appointed year by year, as for the predecessor 2014-2020 programme). | 0,00 | Y | Maintain Ongoing Procedure(s) |

# ANNEX 10: Reporting – Human resources, digital transformation and information management and sound environmental management

## Human resources management

**Objective:** REGIO employs a competent and engaged workforce and contributes to gender equality at all levels of management to effectively deliver on the Commission's priorities and core business

**Indicator 1:** Number and percentage of first female appointments to middle management positions
**Source of data:** SEC(2020) 146

| **Baseline (female representation in management) (2019)** | **Target** (2022) + (2024) [48] | **Latest known results (31/12/2024)** |
|---|---|---|
| 33% | First female appointments target: 3 new appointments to middle management between 2020-2022<br>1 new appointment to middle management in the years 2023 and 2024 | Target 2020-2022: Achieved<br>48.3% female representation at the end of 2024<br>Target 2023-2024: not achieved |

**Indicator 2:** REGIO staff engagement index
**Source of data:** Commission staff surveys

| **Baseline** (2018) | **Target** (2024) | **Latest known results** (31/12/2024) |
|---|---|---|
| 72% (EC average 69%) | Further increase the index results | 73% (Staff survey 2023) |

**Main outputs in 2024:**

| **Output** | **Indicator** | **Target** | **Latest known results (31/12/2024)** |
|---|---|---|---|
| 4th REGIO Equality Mainstreaming Work Plan | Design, consult and adopt a new Equality Mainstreaming Work Plan starting 2023 building on the achievements of the 2022 Work Plan | Q1 2024 | Achieved |
| Implementation of actions linked to the 2024 Equality Mainstreaming Work plan | Number of equality related events (trainings, workshops, and staff activities) organised | 5 | Achieved |

(48) The target was revised and extended for the period 2023-2024 in early 2023.

| Output | Indicator | Target | Latest known results (31/12/2024) |
|---|---|---|---|
| Implementation of the annual REGIO Training plan | Percentage of in-house trainings included in REGIO Training plan organised through EU Learn by REGIO units by the end of the year | 70% | Achieved |
| Further increase staff engagement | Organise physical team events involving all REGIO staff | At least 1 by Q4 2024 | Achieved |

## Sound financial management

**Objective:** The authorising officer by delegation has reasonable assurance that resources have been used in accordance with the principles of sound financial management, and that cost-effective controls are in place which give the necessary guarantees concerning the legality and regularity of underlying transactions

**Indicator 1** Residual total error rate

**Source of data:** Member States'/programmes' Annual Control Reports, EC audits, ECA audits and the conclusions presented in the AAR (Estimated risk at closure)

| **Baseline** (2019) | **Target** (2024) | **Latest known results** (April 2024) |
|---|---|---|
| 1.1% | <2% of relevant expenditure | 1.3% |

**Indicator 2:** Reliance on the management and control systems (systems which are functioning adequately)

**Source of data:** Member States'/programmes' Annual Control Reports, EC audits, ECA audits and the conclusions presented in the AAR (table 10 B of REGIO AAR annexes)

| **Baseline** (2019) | **Target** (2024) | **Latest known results** (31/12/2024) |
|---|---|---|
| 77% | 80% | 87% |

**Main outputs in 2024:**

| Output | Indicator | Target | Latest known results (31/12/2024) |
|---|---|---|---|
| Effective controls: legal and regular transactions | Estimated risk at payment or Residual total error rate | Remains <2% of relevant expenditure | Not achieved (2.1% in AAR 2023)<br>The KPI for 2023 AAR is 2.1% with a maximum risk of 3%, both above materiality |
| | Estimated risk at closure | Remains <2% of relevant expenditure | Achieved (1.3%) |
| Efficient controls | Budget execution | Remains 100 % of payment appropriations | Achieved |

| Output | Indicator | Target | Latest known results (31/12/2024) |
|---|---|---|---|
| | Timely payments [49] | Remains 98% of payments (in value) made in time | Achieved |
| Economy of controls | Overall estimated cost of controls | Remains below 0.5% of funds managed | Achieved |
| Reliance on the management and control systems | % of all programmes assessed as functioning well or functioning with only some improvements needed | 90% | For 2014-2020 87% of ERDF/CF programmes function well or sufficiently well. For 2021-27 84% of ERDF/CF programmes, function well or sufficiently well. Close monitoring of effective functioning of MCS is ongoing. |

## Fraud risk management

**Objective:** The risk of fraud is minimised through the application of effective anti-fraud measures and the implementation of the Commission Anti-Fraud Strategy aimed at the prevention, detection and correction of fraud

**Indicator:** Implementation of the actions included in REGIO's anti-fraud strategy over the whole strategic plan lifecycle (2020-2024)
**Source of data:** REGIO's annual activity report, REGIO's anti-fraud strategy, OLAF reporting

| Baseline (2019) | Target (2024) | Latest known results (31/12/2024) |
|---|---|---|
| 100% action points of the 2020-2025 Joint Anti-Fraud Strategy implemented | 100% of action points implemented in time | Achieved |

([49]) Percentage of payments made within the applicable deadline (subject to budget availabilities)

| Main outputs in 2024: | | | |
|---|---|---|---|
| **Output** | **Indicator** | **Target** | **Latest known results (31/12/2024)** |
| Financial corrections implemented as a follow-up of financial recommendations in OLAF final reports | % of financial corrections implemented for OLAF final case reports closed in the year | 75% | The recovery rate for 2024 is 25%, mainly due to one significant case for which the Member State provided new evidence thus bringing REGIO to impose reduced financial corrections compared to those proposed by OLAF.<br>Financial corrections are decided on the basis of all elements provided by OLAF and, in reply, by the Member States (as per a 'contradictory procedure'). The Commission services review and take into consideration all collected information and facts, and this can result, as in this case, in corrections that differ from the initial OLAF recommendations. |
| Improve anti-fraud knowledge, deliver the message from the JAFS action plan to the Member States authorities and cooperation among Commission departments in particular in the framework of the Fraud Prevention and Detection Network (FPDNET) and its sub-groups | Number of meetings per year, including those of the FPDNET and its sub-groups | At least 5 | Achieved |
| Increase the systematic use of ARACHNE or alternative datamining tools available at national level and encourage MS to use exclusion databases such as EDES when selecting beneficiaries of their progs | % of all programmes using ARACHNE | 60% | Achieved |
| Support capacity building and dissemination of information to Member States on fraud prevention and detection | Number of presentations and training sessions offered | 29 | Achieved |

## Digital transformation and information management

| **Objective:** REGIO is using innovative, trusted digital solutions for better policy-shaping, information management and administrative processes to forge a truly digitally transformed, user-focused and data-driven Commission |
|---|

**Indicator 1:** Degree of implementation of the digital strategy principles by the most important IT solutions

**Source of data:** Compass Corporate Steering board, SFC IT Steering Committee

| **Baseline**<br>(2018-2019) | **Interim Milestone**<br>(2020-2022) | **Target**<br>(2024) | **Latest known results**<br>(31/12/2024) |
|---|---|---|---|
| **Compass Corporate**: Formal validation by Information Technology and Cybersecurity Board (ITCB) of Compass Corporate, as the corporate reusable workflow solution enabling the Shared management DGs to operate the next programming period (2021-2027) processes - Business case document eventually approved in April 2018 | Make Compass Corporate ready for the start-up of the 2021-2027 period | Compass Corporate stable and implemented with all expected features and processes according to the Business Processes Team (BPT) roadmap | Achieved<br>MyWorkplace developed under the Compass Corporate program. The workflow system for the 2021-2027 period is on track. The former workflow system WAVE remains operational at least until end of 2027. |
| **SFC2021**: ITCB green light for a solution encompassing a system supporting financial management (**Back-office**), covering all official exchanges of information between Managing Authorities and the Shared management DGs (**Front-office**) and providing Business reporting (**Data warehouse**), for the programming period 2021-2027<br>Business case document approved in October 2019 | Make SFC2021 ready for the start-up of the programming period 2021-2027<br>- Make reports available for the start-up of the programming period 2021-2027<br>- Provide reports with real-time data<br>- Improve user interface and set up new full-fledge dashboards for 2021- 2027 programming period<br>- Deliver impact study on the usage of Data analytics' new technologies (AI data prediction | Get SFC2021 stable and filled with required features and processes in alignment with the business processes roadmap<br><br>Adapt Business reporting to the new programming period needs in alignment with the Commission's data strategy | Achieved<br>SFC2021 BO has achieved its 2024 goals as planned.<br>Launchpad implemented all requested reports asked by the shared management DGs, BUDG and the Cohesion Open Data Portal. A significant effort was allocated to facilitate a smooth transition to SUMMA. Substantial progress has been made in the areas of data analytics and applied artificial intelligence.<br>The data governance team has been created in Unit 02 and the implementation of the annual data workplans on-going. |

| | | | |
|---|---|---|---|
| | and Block chain) | | |
| Average score on the implementation of the **11 core principles** ([50]) defined by the EC Digital Strategy:<br>- Compass Corporate: 1.8<br>- SFC2021: 1.9<br>- Business reporting: 1.6 | Average score of implementation:<br>- Compass Corporate: 1.8<br>- SFC2021: 1.9<br>- Business reporting: 1.8 | Average score of implementation:<br>- Compass Corporate: 2<br>- SFC2021: 2<br>- Business reporting: 2 | Achieved<br>The average score of implementation of the Commission's Digital Strategy's core principles reached the set targets. |
| **Open Data**: All relevant data for the periods 2007-2013 and 2014-2020 is published in the ESIF Open Data platform | The Open Data platform is extended to cover the 2021-2027 period from the very beginning | The platform contains all relevant data related to shared management | The Cohesion Open Data platform presentation of 2021-2027 was extended in September 2024 to publish and visualise data on financial implementation. During 2024 a suite of data stories was published linked to the analysis in the 9th Cohesion report |
| **RegioWiki**: A single platform is available | Extended to cover 2021-2027 | Maintained or integrated with corporate initiatives | 2021-2027 integrated.<br>Programme pages for 2021-2027 deployed<br>Metadata integrate 2021-2027<br>Country digest implemented |
| **Kohesio**: Pilot project for linking and using project related data from 2014- 2020 is initiated | Technical and organisational issues are successfully solved on the basis of the pilot with six Member States | All project related data from 2014-2020 and 2021-2027 is available on the platform | Since January 2023, Kohesio is available in all 24 EU official languages. The platform will be gradually enriched with information on the supported projects during 2021-2027 |

([50]) From 2021, services are required to provide a state-of-play on the implementation of the 11 core principles defined by the EC Digital Strategy for the top 3 most expensive IT solutions that they own. For each of these solutions, this will be expressed as an average of the scores reflecting the degree of implementation of each of the 11 principles ("2-well"/"1-partially"/"0-not implemented"). The assessment will be performed by the IT Investments Team, in close collaboration with the supplier unit on the basis of a dedicated handbook and, if necessary, complementary interviews with the IT unit.

**Indicator 2:** Percentage of REGIO key data assets for which corporate principles for data governance have been implemented
**Source of data:** REGIO Evaluation Unit [responsibility taken over by the Data Governance team after its set up]

| **Baseline** (2019) | **Interim Milestone** (2021-2022) | **Target** (2024) | **Latest known results** (31/12/2024) |
|---|---|---|---|
| - Set up of a network of local data correspondents<br>- Delivery of specifications for corporate data roles and responsibilities, and a proposal for data policies<br>- Stocktake of ongoing data governance and data policy initiatives | - Progress on implementing data governance rules and responsibilities in all DGs and services<br>- Draw up practical guidelines for priority areas for data policies<br>- Explore the relationship between data protection and transparency obligations<br>- Make any necessary changes and updates to the IT systems used for storing, managing and disseminating data assets | Support the Commission's transformation into a data-driven organisation by introducing roles and responsibilities, common principles, guidelines and working practices at corporate level | The Data Governance Team has been established within REGIO Unit 02. Its mandate is to support the implementation of corporate rules on data governance and promote the use of data and innovative analytics tools. |
| 50% of REGIO key data assets | 60% of REGIO key data assets | 80% of REGIO key data assets | 85% |

**Indicator 3:** Percentage of staff targeted by awareness raising activities on data protection compliance
**Source of data:** REGIO Data Protection Coordinator (DPC)

| **Baseline** (2019) | **Interim Milestone** (2020-2022) | **Target** (2024) | **Latest known results** (31/12/2024) |
|---|---|---|---|
| 100% of staff, according to the reply to the questionnaire of the DPO on the implementation of the Data Protection Action Plan of the Commission ([51]) on November 2019 | 100% of staff, continue with regular awareness raising actions (newcomers, My Regio communications, reminders to all staff, updates of Regio Wiki) | 100% of staff | 100% of staff |

**Main outputs in 2024:**

| **Output** | **Indicator** | **Target** | **Latest known results (31/12/2024)** |
|---|---|---|---|
| Alignment with SUMMA and implementation of necessary features in SFC back-office systems and data migration in the Data Warehouse | Minimal viable solution for all systems to be operational and integrated with SUMMA, allowing for electronic handling of all financial processes that are in place in today's ABAC | Q4 2024 | Achieved |

([51]) REGIO: reply to questionnaire on compliance with data protection action plan Ares(2019)7248989

| Output | Indicator | Target | Latest known results (31/12/2024) |
|---|---|---|---|
| Business reporting system ensures continued provision of common and improved reporting and data services | 1. Provide requested reporting services, Advanced Data Analytics, Machine Learning, and Artificial Intelligence on the existing data and real-time reporting depending on the priorities set by the Business Managers<br><br>2. Contribute to the setup of REGIO's Data Governance and the implementation of the Data Strategy | Q4 2024 | Achieved |
| Compliance is attested for all IT systems in GRC and security plans are updated | Login compliance and annual security plan review | Q4 2024 | Achieved |
| Enhancing staff skills and competences for effective use of data, information, and knowledge | 10 key data stakeholders within REGIO trained upon EC Data platform supported tools portfolio | Q4 2024 | Achieved |
| Implementation of the corporate principles for data governance for REGIO's key data assets | Share of implementation by the end of 2024 | 85% | Achieved |
| Knowledge and information effectively shared and reused within REGIO, in alignment with related corporate policies | Number of visitors to RegioWiki | >700 (average per month) | Achieved |
| Migration from SharePoint on premise to SharePoint online | Finalisation of migration of REGIO's intranet "MyREGIO" to the new DG HUB format | Q4 2024 | Achieved |
| Migration of DG REGIO's intranet "MyREGIO" to the new DG HUB format | Finalisation of migration of REGIO's intranet "MyREGIO" to the new DG HUB format | Q4 2024 | Achieved |
| Raise awareness about data protection | 100% of REGIO staff targeted by informative sessions for units and specific guidance for data breaches, data subject's requests, risk assessments and accountability | Q4 2024 | Achieved |

| Output | Indicator | Target | Latest known results (31/12/2024) |
|---|---|---|---|
| The financial transactions IT system (SFC Back Office) is efficiently supporting the implementation of 2021-2027 programming period in alignment with IT work plan | Deliver SFC 2021 Back-office: financial transactions and features, relevant to REGIO's contribution and implementation, according to REGIO's IT work plan 2023 | Q4 2024 | Achieved |
| The IT system running workflow processes is efficiently supporting the implementation of 2021-2027 programming period in alignment with BPT work plan | Deliver MyWorkplace processes and features relevant to REGIO's contribution and implementation of the 2021-2027 programming period in line with REGIO's IT work plan 2024 and aligned with BPT work plan. | Q4 2024 | Achieved |
| The IT systems running processes and financial transactions are efficiently supporting the implementation of 2014-2020 programming period, in alignment with BPT work plan | Ensure the continuity of 2014-2020 processes in WAVE and SFC2014-BO and first part of the implementation of 2014-2020 closures in MyWorkplace | Q4 2024 | Achieved |

## Sound environmental management

**Objective:** REGIO takes full account of its environmental impact in all its actions and actively promotes measures to reduce the related day-to-day impact of the administration and its work

**Main outputs in 2024:**

**I. Reducing emissions from staff and expert' business travel and reducing CO2 and other atmospheric emissions**

| Output | Indicator | Target | Latest known results (31/12/2024) |
|---|---|---|---|
| Contribute to the reduction of greenhouse gas emissions and to reaching the Commission's climate neutrality by 2030 | CO2 emissions in kg derived from missions | A reduction of 5% | Achieved |

**IV. Circular Economy (public procurement (GPP), waste, biodiversity and sustainable food)**

| Output | Indicator | Target | Latest known results (31/12/2024) |
|---|---|---|---|

| **Output** | **Indicator** | **Target** | **Latest known results (31/12/2024)** |
|---|---|---|---|
| Ensuring Green Public Procurement | Contracts in which GPP criteria are included where applicable | 100% | Achieved |
| | Units with contracts where GPP criteria are applicable are informed | 100% | Achieved |

# List of acronyms

| | |
|---|---|
| AA | Audit Authority |
| AAR | Annual Activity Report |
| AIR | Annual Implementation Reports |
| ABAC | system of Accrual Based Accounting |
| ACRs | Annual Control Reports |
| AGRI | Directorate-General for Agriculture and Rural Development |
| AI | Artificial intelligence |
| AIR | Annual Implementation Reports |
| AOD | Authorising Officer by Delegation |
| AOSD | Authorising Officers by Sub-Delegation |
| BAR | Brexit Adjustment Reserve |
| BCO | European Broadband Competence Offices |
| BUDG | Directorate-General for Budget |
| CAFS | Commission Anti-Fraud Strategy |
| CARE | Cohesion's Action for Refugees in Europe |
| CEC | Cost-effectiveness of controls |
| CF | Cohesion Fund |
| The Charter | EU Charter of Fundamental Rights |
| CINEA | European Climate, Infrastructure and Environment Executive Agency |
| CNECT | Directorate-General for Communications Networks, Content and Technology |
| COP | Community of Practice |
| CPR | Common Provisions Regulation |
| CRII(+) | Coronavirus Response Investment Initiative |
| C4T | Cohesion for Transitions |
| DAC | Joint Audit Directorate for Cohesion |
| DESI | Digital Economy and Society Index |
| DG | Directorate-General |
| DIGIT | Directorate-General for Informatics |
| DPC | Data Protection Coordinator |

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|---|---|
| DPMS | Data Protection Management System |
| EAFRD | European Agricultural Fund for Rural Development |
| EAGF | European Agricultural Guarantee Fund |
| EIB | European Investment Bank |
| EC | European Commission |
| ECA | European Court of auditors |
| ECFIN | Directorate-General for Economic and Financial Affairs |
| EDIHs | European Digital Innovation Hubs |
| EIB | European Investment Bank |
| EIPA | European Institute for Public Administration |
| EMAS | EU Eco-Management and Audit Scheme |
| EMPL | Directorate-General for Employment, Social Affairs and Inclusion |
| ENI | European Neighbourhood Instrument |
| ENI-CBC | Cross-border components of the European Neighbourhood Instrument |
| ERDF | European Regional Development Fund |
| ESF | European Social Fund |
| ESIF | European Structural and Investment Funds |
| ETC | European Territorial Co-operation |
| EU | European Union |
| EUI | European Urban Initiative |
| EUSF | European Union Solidarity Fund |
| FAST-CARE | Flexible Assistance to Territories |
| FI | Financial Instruments |
| FNLC | Financing not linked to costs |
| GDP | Gross domestic product |
| HR | Human Resource |
| IAS | Commission Internal Audit Service |
| IB | Intermediary Body |
| ICO | Internal Control Objectives |
| ICP | International City Partnerships |

| | |
|---|---|
| ICT | Information and Communications Technology |
| IMSB | Information Management Steering Board |
| INTERREG | European Territorial Co-operation |
| INTPA | Directorate-General for International Partnerships |
| IPA | Instrument for Pre-accession Assistance |
| IPA-CBC | Cross-border components of the Instrument for Pre-accession Assistance |
| ITCB | Information Technology and Cybersecurity Board |
| ITIT | Extended IT Investments team |
| IURC | International Urban and Regional Cooperation |
| I3 | Interregional Innovation Investments |
| JAFS | Joint Anti-fraud Strategy |
| JASPERS | Joint Assistance to Support Projects in European Regions |
| JRC | Joint Research Centre |
| JTF | Just Transition Fund |
| JTM | Just Transition Mechanism |
| JTP | Just Transition Platform |
| KPI | Key Performance Indicator |
| KR | Key Requirement |
| LTVRA | Long-term Vision for the EU's Rural Areas |
| L&R | Legality and Regularity |
| MA | Managing Authority |
| MARE | Directorate-General for Maritime Affairs and Fisheries |
| MCS | Management and Control system |
| MFF | Multi Annual Financial Framework |
| MoU | Memorandum of Understanding |
| MP | Management Plan |
| MRS | Macro-Regional Strategies |
| MS | Member States |
| NDICI | Neighbourhood, Development and International Cooperation Instrument |
| NEAR | Directorate-General for Neighbourhood and Enlargement Negotiations |

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|---|---|
| NEB | New European Bauhaus |
| NEI | Non-Expenditure Item(s) |
| NGEU | Next Generation EU |
| NUA | UN New Urban Agenda |
| OAD | Overseas Territories Association Decision |
| OLAF | European Anti-Fraud Office |
| OR | Outermost Regions |
| PA | Partnership Agreements |
| PSLF | Public Sector Loan Facility |
| REACT-EU | Recovery Assistance for Cohesion and the Territories of Europe |
| REFORM | Directorate-General for Structural Reform Support |
| REGIO | Directorate-General Regional and Urban Policy |
| RER | Residual Error Rate |
| ROP | Regional Operative Programme |
| RRF | Recovery and Resilience Facility |
| RRP | Resilience and Recovery Plan |
| RTD | Research and Technological Development |
| RTER | Residual Total Error Rate (KPI5) |
| SAFE | Supporting Affordable Energy |
| SCO | Simplified Cost Options |
| SFC | interface between Member States and the Commission for management of structural funds |
| SG | Secretariat-General |
| SG Recover | Secretariat-General: Recovery & Resilience Task Force |
| SME | Small and Medium-Sized Enterprises |
| STEP | Strategic Technologies for Europe Platform |
| SWD | Commission Staff Working Document |
| S3 | Smart Specialisation Strategy |
| TA | Technical Assistance |
| TAIEX | Technical Assistance and Information Exchange |
| TBM | Talent Booster Mechanism |

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|---|---|
| TER | Total Error Rate |
| TFEU | Treaties on the European Union and on the Functioning of the European Union |
| TFV | True and Fair View |
| TJTP | Territorial Just Transition Plans |
| TN | Transnational Network |
| TSI | Technical Support Instrument |
| UfM | Union for the Mediterranean |
| UIA | Urban Innovative Actions |
| UNCRPD | United Nations Convention on the Rights of Persons with Disabilities’ |
| WAVE | Workflow system designed by REGIO to support all decisional, financial and audit procedures |
| WGI | Worldwide Governance Indicators |
| YEI | Youth Employment Initiative |